

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

THE REPUBLIC OF COLOMBIA,
acting on its own behalf and on behalf of the
DEPARTMENTS it has power to represent, and the
DEPARTMENT OF AMAZONAS, DEPARTMENT OF ANTIOQUIA,
DEPARTMENT OF ARAUCA, DEPARTMENT OF ATLANTICO,
DEPARTMENT OF CALDAS, DEPARTMENT OF CAQUETA,
DEPARTMENT OF CHOCO, DEPARTMENT OF CORDOBA,
DEPARTMENT OF CUNDINAMARCA, DEPARTMENT OF GUAVIARE,
DEPARTMENT OF HUILA, DEPARTMENT OF PUTUMAYO,
DEPARTMENT OF SANTANDER, DEPARTMENT OF SUCRE,
DEPARTMENT OF TOLIMA, DEPARTMENT OF VALLE DEL CAUCA,
DEPARTMENT OF VICHADA and BOGOTA, Capital District,
individually,

Plaintiffs,

AMENDED COMPLAINT
Case No: CV 04-4372-Garaufis

- against -

DIAGEO NORTH AMERICA INC., f/k/a
Guinness UDV North America, Inc., f/k/a
UDV North America Inc., f/k/a as IDV North
America Inc., f/k/a Hueblein, Inc.,
UNITED DISTILLERS MANUFACTURING INC.,
DIAGEO PLC, SEAGRAM EXPORT SALES COMPANY INC.,
PERNOD RICARD USA LLC., and PERNOD-RICARD S.A.

Defendants.

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PLAINTIFFS, REPUBLIC OF COLOMBIA, acting on its own behalf and on behalf of the DEPARTMENTS it has the power to represent, and the DEPARTMENT OF AMAZONAS, DEPARTMENT OF ANTIOQUIA, DEPARTMENT OF ARAUCA, DEPARTMENT OF ATLANTICO, DEPARTMENT OF CALDAS, DEPARTMENT OF CAQUETA, DEPARTMENT OF CHOCO, DEPARTMENT OF CORDOBA, DEPARTMENT OF CUNDINAMARCA, DEPARTMENT OF GUAVIARE, DEPARTMENT OF HUILA, DEPARTMENT OF PUTUMAYO, DEPARTMENT OF SANTANDER, DEPARTMENT OF SUCRE, DEPARTMENT OF TOLIMA, DEPARTMENT OF VALLE DEL CAUCA, DEPARTMENT OF VICHADA and BOGOTA, Capital District, individually,, (collectively referred to as "THE DEPARTMENTS OF THE REPUBLIC OF COLOMBIA", and, with the REPUBLIC OF COLOMBIA, the "PLAINTIFFS"), by and through the undersigned attorneys, for their complaint against Defendants, allege as follows:

I. INTRODUCTION

1. The Departments of the Republic of Colombia hold a constitutional monopoly on the domestic manufacture and sale of liquor products. Certain Departments operate one or more major liquor manufacturing facilities in Colombia. Most of the other Departments, sell and distribute liquor products, both

made by the other Departments and those which are legally imported into the Republic of Colombia. By virtue of the aforesaid activities, the Departments of the Republic of Colombia are by far the largest sellers and producers of liquor products within the Republic of Colombia. As such, they have the largest financial stake in this business and are the most harmed by illegal competition. But for the acts of the DEFENDANTS described below, the Departments of the Republic of Colombia would enjoy a majority ownership interest in the liquor sales and distribution business in the Republic of Colombia. However, as a result of the actions of the DEFENDANTS, as set forth more fully below, the Departments, and the Republic of Colombia, have experienced a catastrophic reduction in their business and have lost money and property as a result.

2. For more than a decade, the SEAGRAM DEFENDANTS (described below), the DIAGEO/UDV DEFENDANTS (described below), and the PERNOD RICARD DEFENDANTS (described below), have directed, managed, and controlled a criminal scheme to compete unfairly with the PLAINTIFFS by knowingly selling their products into illegal channels and receiving payment in the form of laundered proceeds from narcotics sales and other criminal activities to gain a competitive advantage over the PLAINTIFFS,

to cheat them out of their legitimate business, to monopolize markets, including the import market into the United States, and to unlawfully control prices in the markets in which the DEFENDANTS compete with the PLAINTIFFS. The DEFENDANTS carry out their massive scheme through a variety of activities, including but not limited to money-laundering operations that extend within and/or directly damage the PLAINTIFFS and the business operations of the PLAINTIFFS. The DEFENDANTS have systematically acted to defraud the PLAINTIFFS via numerous wire fraud schemes, causing significant injury to the business of the PLAINTIFFS. The DEFENDANTS have engaged in and facilitated organized crime by laundering the proceeds of narcotics trafficking, terrorism, and other crimes.

3. The members of this vertical group, consisting of the DEFENDANTS, the distributors, the shippers, the criminal customers, currency brokers, and the DEFENDANTS' agents and subsidiaries who receive payment for the liquor products, work together for the common purpose of depriving PLAINTIFFS of money and property and engaging in a course of conduct to gain massive profits from the sale of liquor products as a part of a global money-laundering enterprise while harming PLAINTIFFS' business and other economic interests. The activities of this core group

constitute a conspiracy in law and in fact.

4. The DEFENDANTS knowingly sell their products to organized crime, arrange for secret payments from organized crime, and launder such proceeds in the United States or offshore venues known for bank secrecy. DEFENDANTS have routinely laundered the illegal proceeds of Colombian organized crime through financial institutions in New York City.

5. By engaging in this illegal conduct the DEFENDANTS have achieved multiple benefits for themselves, including but not limited to the following:

a. The DEFENDANTS have obtained a significant business advantage over their competitors, including the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA by illegally distributing liquor with illegal labeling, having full and complete knowledge that such illegal distribution of liquor products bearing illegal labels would appeal to their customers and make their products more competitive and attractive to their customers.

b. The DEFENDANTS have increased their liquor product sales because they have new and additional customers, namely, the money-launderers and the criminal organizations they service.

c. The DEFENDANTS have increased their profit margins because they require the criminals to pay a premium for their liquor products and/or subject the criminals to sales and credit terms that are more favorable to the DEFENDANTS than those granted to legitimate customers.

d. The DEFENDANTS have increased their market share by adding to their customer base to the detriment of their competitors, including the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA.

e. The DEFENDANTS have enhanced the market value of their liquor operations, while decreasing the market value of their competitors' operations.

f. The DEFENDANTS have obtained a significant business advantage over their competitors, including the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA by price fixing and manipulation.

6. The DEFENDANTS have, at the highest corporate level, determined that it will be a part of their operating business plan to sell their liquor products to and through criminal organizations and to accept criminal proceeds in payment by secret and surreptitious means, which under United States law constitutes money laundering. The officers and

directors of the DEFENDANTS facilitated this overarching money-laundering scheme by restructuring the corporate structure of the DEFENDANTS, to direct and implement their money-laundering schemes and to assist in the avoidance of detection by U.S. and Colombian law enforcement. This overarching scheme to establish a corporate structure and business plan to sell liquor products to criminals and to launder criminal proceeds was implemented through many subsidiary schemes within THE REPUBLIC OF COLOMBIA.

7. This civil action is based upon violations of the Racketeer Influenced and Corrupt Organizations Act, which was specifically intended by Congress to eradicate organized crime on all fronts (including in foreign and interstate commerce) and to deprive violators of their ill-gotten gains. It is also based upon violations of standards of common law, including fraud, negligence, unjust enrichment, public nuisance, and conspiracy to commit such torts. PLAINTIFFS seek damages; equitable relief such as disgorgement of profits; and injunctive relief (a) to enjoin DEFENDANTS from engaging in money laundering and facilitating organized crime, and (b) to compel DEFENDANTS to adopt necessary programs and procedures to prevent such conduct in the future. Absent such relief, there will be an increased risk to national security, continued harm to

PLAINTIFFS, and damage to the vital interests of the United States and PLAINTIFFS.

II. PARTIES

8. The REPUBLIC OF COLOMBIA is a sovereign state.

The DEPARTMENTS OF THE REPUBLIC OF COLOMBIA are autonomous political subdivisions of the REPUBLIC OF COLOMBIA. As such, each possesses the legal capacity to acquire, own, or dispose of property and may be a party to legal proceedings. Each is a "person" as defined under the applicable United States law. Each has the right to hold a legal or beneficial interest in property.

9. Each of THE DEPARTMENTS OF THE REPUBLIC OF COLOMBIA and BOGOTA, CAPITAL DISTRICT, has rights and responsibilities comparable to that of a state of the United States. Among the legal rights of THE DEPARTMENTS OF THE REPUBLIC OF COLOMBIA is the right to hold a legal or beneficial interest in property and receive money arising from the manufacture and distribution of liquor products in the Republic of Colombia.

10. By law, the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA are entitled to own and operate companies that manufacturer, distribute, and sell liquor throughout Colombia and for export to other nations, including the United States. The DEPARTMENTS OF THE REPUBLIC OF COLOMBIA derive a substantial amount of money from the manufacturer, distribution, and sale of liquor within and outside the Republic of Colombia and the United States. Income earned from a DEPARTMENT'S liquor sales constitutes a significant share of the total income of the DEPARTMENT.

11. DEFENDANT DIAGEO NORTH AMERICA is a Connecticut corporation authorized to do business in the State of New York, and was formerly known as Guinness UDV North America, Inc., and prior to that was formerly known as UDV North America Inc., prior to that was formerly known as IDV North America Inc., and prior to that was known as Heublein, Inc. DIAGEO NORTH AMERICA INC., has its principal place of business at 6 Landmark Sq. Stamford, CT 06901-2704.

12. DEFENDANT UNITED DISTILLERS MANUFACTURING is a Delaware corporation authorized to do business in the State of New York. Its principle place of business is located at 6 LANDMARK SQUARE STAMFORD, CONNECTICUT 06901.

13. DEFENDANT DIAGEO PLC. was and is a British corporation which is engaged in substantial and not isolated activity within this State and which in 1997 purchased the above-described UNITED DISTILLERS entities. Its main offices are located at 8 Henrietta Place London, EN W1G 0. Hereinafter the above described DIAGEO, UNITED DISTILLERS (UD), UNITED DISTILLERS & VINTNERS (UDV), and all related affiliate and subsidiary entities will be referred to as DIAGEO/UDV DEFENDANTS.

14. DEFENDANT SEAGRAM EXPORT SALES CO., INC., d/b/a Seagram Overseas Sales Co., Inc., is a New York corporation with offices located at 375 Park Avenue, New York, New York, 10152-0192. DEFENDANT SEAGRAM EXPORT SALES CO., INC., is currently owned by the DIAGEO DEFENDANTS. Over the years, the export division of SEAGRAM'S exporting entity has done business under a variety of names, including Seagram Overseas Sales Co., Inc., Seagram Global Markets Group, and SEAGRAM EXPORT SALES CO., INC. For the purposes of this complaint, DEFENDANT SEAGRAM EXPORT SALES CO., INC., SEAGRAM OVERSEAS SALES CO., INC., SEAGRAM GLOBAL MARKETS GROUP, and all other related entities will be referred to as the SEAGRAM DEFENDANTS. Additionally, in December 2001, DEFENDANTS PERNOD RICARD S.A., and DIAGEO Plc.,

purchased SEAGRAM entities, brands and assets. Some of the original SEAGRAM entities went to DIAGEO, while others went to PERNOD RICARD and other companies. Hereinafter, the SEAGRAM entities that are now owned by PERNOD-RICARD and DIAGEO will be referred to as the SEAGRAM DEFENDANTS.

15. DEFENDANT PERNOD RICARD USA, LLC, is an Indiana corporation authorized to do business in the State of New York. Its principal place of business is located at 777 WESTCHESTER AVENUE, WHITE PLAINS, NEW YORK 10604.

16. DEFENDANT PERNOD-RICARD S.A. is a French multinational corporation that is engaged in substantial and not isolated activity within this State. Its principal place of business is located at 12 place des Etats-Unis, 757 Paris Cedex 16, France. During the 1990's, PERNOD RICARD emerged at the head of the one of the world's largest international distilled spirits manufacturing and distribution concerns. Consolidation within the industry, along with purchases of significant SEAGRAM whisky assets, further enhanced PERNOD RICARD's position as an industry leader. Currently, PERNOD RICARD is the world's second largest international alcoholic beverage manufacturer, producing such well-known brands as Chivas Regal and Glenlivit scotch whiskies, and many world-renowned specialty drinks such as

Dubonnet and Martell. Hereinafter the above described Pernod Ricard USA LLC and Pernod-Ricard S.A. will be referred to as the PERNOD RICARD DEFENDANTS.

III. JURISDICTION

17. As to all the PLAINTIFFS, jurisdiction is proper in this Court pursuant to 28 U.S.C. §§ 1331, 1337 because this matter involves allegations of illegal behavior arising under the laws of the United States, including violations of RICO. Furthermore, jurisdiction in this Court is proper pursuant to RICO, 18 U.S.C. §§ 1964(a),(c) and 28 U.S.C. § 1651(a). The DEFENDANTS are "persons" within the meaning of 18 U.S.C. § 1961(3). The PLAINTIFFS are "persons" within the meaning of 18 U.S.C. § 1961(3). Finally, this Court may exercise jurisdiction over PLAINTIFFS' non-federal claims pursuant to 28 U.S.C. § 1367.

IV. VENUE

18. Venue is proper in this Court pursuant to 18 U.S.C. § 1965(a) because DEFENDANTS reside, are found, have an agent, or transact affairs in this District. Venue is also

proper in this Court pursuant to 18 U.S.C. § 1965(b) because, to the extent any DEFENDANT may reside outside of this district, the ends of justice require such DEFENDANT or DEFENDANTS to be brought before the Court. Venue also properly lies in this Court pursuant to 28 U.S.C. § 1391(b)(2), 28 U.S.C. § 1391(b)(3) and/or 28 U.S.C. § 1391(d). Further, certain of the conspiratorial acts alleged herein took place within this judicial district.

V. THE MARKET FOR LIQUOR IN COLOMBIA: AN OVERVIEW

19. The Colombian market for liquor products (excluding beer and wine) in 2002 was 13.2 million cases, down from 15.5 million cases in 1995. This total liquor market is divided into eight product categories:

- (a) whisky,
- (b) vodka,
- (c) gin,
- (d) brandy/cognac,
- (e) rum,
- (f) tequila,
- (g) aguardiente, and

(h) Various.

20. On the manufacturer side, the market is divided into 2 segments, domestic and foreign producers. On the domestic side, the Colombian Departments themselves hold a constitutional monopoly on the domestic manufacture and sale of certain liquor products, such as aguardiente. However, the market has long been open to competition from foreign manufacturers, which import their liquor products into Colombia. In broad terms, the liquor products manufactured in Colombia (by the Colombian Departments) are rum and the traditional aguardiente. While production and sales have plummeted 32.1% (down from 10.6 million cases in 1995 to 7.2 million cases in 2002), aguardiente is still by far the volume leader, holding a total combined share of 54.7% the total Colombian market for liquor products. However, this is down significantly from 1995, when aguardiente's total combined share was 68.3% of the total Colombian market for liquor products, and is a direct and intended result of the DEFENDANTS' illegal distribution schemes.

21. As to rum, the other product category in which the DEPARTMENTS principally compete, the total market size for rum in Colombia has grown 20% over the past decade (reaching 3.1 million cases in 2002, up from 2.5 million in 1995) Imported rum

has increased 288.9% due to the inroads made by the DEFENDANTS' illegal distribution schemes.

22. In fact, the entire Colombian market has seen the effects of the DEFENDANTS' illegal distribution schemes. The market has changed substantially since 1995, with import volume (manufactured by the DEFENDANTS) rising steadily at the expense of domestic items such as aguardiente, (manufactured by the DEPARTMENTS) :

Category	1995		2002		Market Share Variation
	volume	% of market	volume	% of market	
Whiskey	1,197,116	7.71	1,156,750	8.74	+13.4
Vodka	147,871	0.95	130,595	0.99	+3.7
Gin	33,188	0.21	13,000	0.10	-54.0
Brandy/cognac	899,366	5.79	797,750	6.03	+4.1
Rum	2,501,266	16.10	3,080,739	23.28	+44.6
Tequila	18,500	0.12	41,000	0.31	+160.2
Aguardiente	10,608,295	68.29	7,234,833	54.68	-19.9
Various	129,500	0.83	777,590	5.88	+705

23. Viewed individually, the amounts of liquor

products distributed illegally in Colombia varies greatly from category to category:

Category	Domestic Production	Formal Imports	Illegal Imports	Total market	% of total imports distributed illegally
Whiskey	82,000	126,825	947,925	1,156,750	88.2
Vodka	40,000	30,124	60,471	130,595	66.75
Gin	4,000	3,089	5,911	13,000	65.68
Brandy/Cognac	772,000	13,402	12,348	797,750	47.95
Rum	2,949,959	41,514	89,266	3,080,739	68.26
Tequila	0	5,741	35,259	41,000	86.0
Aguardiente	7,234,833	0	0	7,234,833	0
Various	623,000	154,590	Not av.	+777,590	Not av.

24. As the chart above shows:

- 88.2% of all imported whiskey is distributed illegally;
- 66.75% of all imported vodka is distributed illegally;
- 65.66% of all imported gin is distributed illegally;
- 47.95% of all imported Brandy/cognac is distributed illegally;
- 68.26% of all imported rum is distributed illegally; and,
- 86% of all imported tequila is distributed

illegally.

25. In the face of such illegal and unfair competition, as is the design and purpose of the DEFENDANTS' scheme, it is impossible for legitimate domestic manufacturers to produce and compete freely.

VI. ALLEGATIONS COMMON TO ALL DEFENDANTS

26. Although the DEFENDANTS were and are separate corporate groups and were at times competitors with each other in their illegal distribution and money-laundering schemes, they were well aware of each other's activities, copied each other's strategies when they were successful, and in most cases utilized the same distributors to conduct their illegal sales. For example, the DIAGEO/UDV DEFENDANTS, the SEAGRAM DEFENDANTS, and the PERNOD RICARD DEFENDANTS, all sold their products illegally through the various Mansur family companies, including but not limited to MANSUR TRADING FREEZONE, MANIMEX, MARLEX and TRANSIMEX. Also, the DIAGEO/UDV DEFENDANTS, the SEAGRAM DEFENDANTS, and the PERNOD RICARD DEFENDANTS, all sold their products illegally through ROMAR Trading Freezone, owned and operated by Roy Harms and his son, Milton Harms. Accordingly,

for the allegations in this complaint, many of the activities of the DEFENDANT groups were virtually identical. Common elements of their illegal distribution and money-laundering schemes are set forth below.

27. All the DEFENDANTS share the common goal of increasing their market share in Colombia by selling their products through illegal means. Those illegal mechanisms include the following:

(a) The DEFENDANTS created a circuitous and clandestine distribution chain so as to sell their liquor to criminal organizations and to receive payment for their products with criminal proceeds while at the same time concealing their activities from Colombian and U.S. law enforcement. The intermediaries in such a circuitous distribution chain are known to law enforcement officials as "cut outs". The use of multiple intermediaries to conceal money laundering is known as "layering". The decision to establish and maintain this distribution chain was made at the highest executive levels of the DEFENDANTS.

(b) The DEFENDANTS and their co-conspirators used multiple companies as cut outs through which to funnel the money laundering proceeds. These companies included, but were

not limited to ROMAR, MANSUR TRADING FREEZONE, MANIMEX, TRANSIMEX, MARLEX, LITANI, MITANI, RUNAM HOLDINGS, DOUBLETREE INVESTMENTS, CARDDGAME, LTD, and LICORES ARUBA.

(c) An example of how laundered narcotics proceeds are used to pay the DEFENDANTS for their liquor products is as follows: A Colombian narcotics trafficking organization makes use of "smurfs" to process bulk cash located in the United States into numerous bank accounts located in the United States and frequently in this District. These bank accounts have been opened by the "smurfs" in multiple locations. The purpose is to allow each "smurf" to continually deposit amounts of cash narcotics proceeds into these accounts to build up the balances in these accounts. Each deposit is structured so as to be well below the threshold for suspicious or cash transactions. The key to the "smurf" system is the use of a lot of accounts - and a lot of "smurfs". Checks are then drawn on these accounts - which represent narcotics proceeds - and these checks are then exchanged by Colombian criminal organizations for liquor products manufactured by the DEFENDANTS. Examples of such transactions include the following:

(i) On Oct. 23, 1991, "Olga L. Martinez", from Jackson Heights, New York, wrote a check for \$6,000.00 on

her account # x8060 located at the Korea First Bank of New York, Jackson Heights branch, located at 78-14 Roosevelt Avenue, Jackson Heights, New York 11371. The payee was left blank. The check was smuggled into Colombia and on October 30, 1991, was picked up in Maicao Colombia, by José M. Martino, on behalf of TRANSIMEX, which was, at that time, a distributor for the DIAGEO/UDV DEFENDANTS, the SEAGRAM DEFENDANTS, and the PERNOD RICARD DEFENDANTS. Thereafter, the check was smuggled out of Colombia by Mr. Martino, stamped as payable to TRANSIMEX, and on November 4th, 1991, was smuggled out of Maracaibo, Venezuela to Aruba by plane. On November 27, 1991, it was deposited by TRANSIMEX into Account xxxxxxxxx1583, located at INTERBANK in Oranjestad, Aruba. These proceeds were then co-mingled with other similarly derived funds and paid to one or more of the DEFENDANTS in payment for their liquor products.

(ii) On Oct. 23, 1991, "Angel Alvaro" wrote a check for \$6,000.00 on his account # xxxx0513, located at Banco Central of New York, located at 76-03 Broadway, Elmhurst, New York 11373. The payee was left blank. The check was smuggled into Colombia and followed the same path as described above.

(iii) On Oct. 23, 1991, "Dolly Perez" wrote

a check for \$6,000.00 on her account # xxxx2216, located at First Federal, Elmhurst Branch, located at 76 Broadway, Elmhurst, New York 11373. The payee was left blank. The check was smuggled into Colombia and followed the same path as described above.

(iv) On Oct. 23, 1991, "Enrique Camacho" wrote a check for \$6,000.00 on his account # xxxxxxxxx9465, located at Manufacturers Hanover Bank, located at 37-29 Junction Boulevard, Corona, New York 11365. The payee was left blank. The check was smuggled into Colombia and followed the same path as described above.

(v) On Oct. 23, 1991, "Enrique Camacho" wrote a check for \$6,000.00 on his account # xxxx0513, located at Banco Central of New York, located at 76-03 Broadway, Elmhurst, New York 11373. The payee was left blank. The check was smuggled into Colombia and followed the same path as described above.

Money gathered in this way from the criminal organizations was continuously deposited into the TRANSIMEX bank accounts where it was commingled with other criminal proceeds and other funds and then transferred to each of the DEFENDANTS or their agents. All of the Mansur group and Romar group entities operated in

virtually the same manner as described in the example above.

Money from these intermediary accounts was then forwarded to each of the DEFENDANTS.

(d) Hundreds of thousands of checks such as these were processed in this way. In each and every case, the person writing the check was completely isolated from the underlying transaction - and the DEFENDANTS and their co-conspirators knew that the purpose and design of this system of seemingly unrelated parties to the financial transaction was to conceal, hide and/or disguise the true nature of the criminal proceeds they were accepting.

(e) This pattern of activity continued at all times relevant to this complaint, and continues to this day. Enormous amounts of criminal proceeds were processed in this manner. In the example described above, \$180,666.00 was picked up in one day by Mr. Martino for TRANSIMEX. This particular transaction included 24 "third party checks", similar to the ones described above, and \$74,265.00 dollars cash. Mr. Martino made hundreds of 'collection trips' to Maicao, going two and three times a week for a variety of front companies owned by the DEFENDANT'S co-conspirators. All of the money for TRANSIMEX was deposited into TRANSIMEX'S INTERBANK account, and it was from

this account that criminal proceeds were wired or mailed directly to the DEFENDANTS.

(f) Each of the DEFENDANTS' Aruban distributors maintain operations similar to the one described above. In what is a massive and complex criminal money laundering system, transactions like the above have been made on virtually a daily basis for at least two decades, involve a continuing use of the U.S. wires and mails, and continue to this day.

(g) Employees of many of the DEFENDANTS were personally involved in the laundering of the proceeds of illicit narcotics sales. On certain occasions, employees of the DEFENDANTS personally traveled to Colombia and entered the country illegally, paying bribes to ensure that their passports were not marked so as to reflect that they had entered Colombia. On these trips these employees received large volumes of cash that they took into their personal possession or these employees were present when large volumes of cash and third party checks were turned over to the distributors with whom the DEFENDANTS' employees were traveling. These individuals would then smuggle the cash out of Colombia and into Venezuela, with the cash ultimately being deposited in banks and transferred into the coffers of the DEFENDANTS. The DEFENDANTS were fully aware of

the nature and illegality of these activities.

(h) On other occasions, employees of each of the Defendant groups, including some high ranking officials in the companies, traveled to Aruba for face-to-face meetings with their customers including known criminals such as Samuel Santander Lopesierra, Alfonso Fuminaya, Randolph Habibe, David Cybul, and Jose Lopesierra for purposes of discussing the illegal liquor trade. At such meetings both the DEFENDANTS' distributors and the criminal customers explained the criminal nature of the business in great detail including that narcotics proceeds were utilized to pay for the liquor, that many participants in the scheme were dangerous criminals, and that the risk of arrest and seizure of money and product was very high. These discussions were all a part of the negotiating process in that the distributors and criminal customers felt the need to take all these risks into account in establishing the fair sales price which the DEFENDANTS would charge them for the product. In spite of these detailed explanations of the criminal nature of the liquor sales, all these DEFENDANTS continued not only to conduct this business but to take all possible steps to expand this business.

(i) DEFENDANTS' criminal customers were

obtained, serviced, and supervised by other DEFENDANT employees in the United States, Panama, and Colombia, in addition to their Aruban and Panamanian distributors. The distributors and warehousemen in Aruba and Panama had regular communications with these employees regarding many of the DEFENDANTS' criminal customers, such as Samuel Santander Lopesierra, Gaspar Lubo, Victor Ojeda, Nora Diaz, Lucho Jimenez, Alfonso Fuminaya and others. For example, these criminal companies routinely used certain ships for the shipment of DEFENDANTS' products. These ships included the M/N Renacer, the M/N Lady Caribe, the M/N Cacique, the M/N Santa Lucia, and others. Details of the shipments of liquor products aboard these vessels were requested by and delivered to DEFENDANTS' employees in the United States through a continuing use of the U.S. wires and mails, so that DEFENDANTS could keep track of the liquor products all the way to their ultimate destination. In this way, the DEFENDANTS knew who their ultimate customers were and knew that they were receiving criminal proceeds in payment for their products.

(j) The DEFENDANTS developed and operate "umbrella operations." An "umbrella operation" is a purportedly legal corporation established within Colombia which allowed the DEFENDANTS to advertise and conduct commercial activities within

Colombia under the banner of legitimate business while in fact the true purpose of the operation is to advertise and market the DEFENDANTS' massive illegal sales of product. These "umbrella operations" serve a primary purpose of acting as a focal point for the DEFENDANTS' efforts to deceive and mislead the PLAINTIFFS.

(k) The DEFENDANTS conduct extensive and expensive advertising campaigns to promote the sales of their liquor brands within THE REPUBLIC OF COLOMBIA. This is done in spite of the fact that the volume of their sales of legally imported liquor does not justify the level of expense in advertising and related commercial campaigns. The purpose of this extensive advertising and promotional campaign is to increase the consumption and sale of DEFENDANT'S product, including DEFENDANT'S liquor products illegally distributed in COLOMBIA and sold to criminal money laundering organizations. The decisions of the DEFENDANTS as to the amounts to be spent on advertising and the extent of advertising and the quality thereof within THE REPUBLIC OF COLOMBIA are made by high-level executives within the DEFENDANTS.

(l) On a regular basis, for at least the last decade, the DEFENDANTS have made, or caused the making of, false

statements to Colombian authorities, including the PLAINTIFFS. The DEFENDANTS engage in this process to systematically misinform the PLAINTIFFS about their true role in the criminal money-laundering scheme, and to prevent the PLAINTIFFS from discovering the role of the DEFENDANTS in the money laundering enterprise. At no time did the DEFENDANTS disclose their real participation in the illegal "informal market" in Colombia. Instead, they purport to "fight against" the illegal informal trade in liquor products. The ruse that they were going to "fight against" this illegal informal market was designed to deceive and misinform the PLAINTIFFS as to the real causes and solutions to the illegal informal market. The DEFENDANTS, directly and through multiple joint mechanisms, used these deceptions to disguise their willing participation in the illegal distribution of liquor products in Colombia and elsewhere.

(m) On a regular basis, the DEFENDANTS employ a systematic process of illegally manipulating the prices of liquor products the DEFENDANTS import into Colombia. By illegally manipulating the price of their liquor products, the DEFENDANTS are able to unlawfully manipulate the price of liquor products in THE REPUBLIC OF COLOMBIA. This practice of

systematic illegal price manipulation allows the DEFENDANTS to control the final retail price of the liquor product sold through the money laundering exchange, to minimize the loss at which the DEFENDANTS operate in Colombia, and allows the DEFENDANTS to increase their market share at the expense of those entities that comply with the law, including the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA.

(n) Since at least 1991, all the DEFENDANTS were selling liquor to individuals whom they knew were reputed narcotics traffickers. For example, as of 1994, court records that were available to the DEFENDANTS demonstrate that one of those individuals, Samuel Santander Lopesierra, had actually told U.S. government informants that he was involved in drug trafficking. Specifically, he had told U.S. law-enforcement agents that he was involved in the "pool system" of drug trafficking whereby he would combine his load of drugs with those of other drug dealers into a single large shipment destined for the United States. He went on to explain that individual traffickers in the United States received the drugs and sold them for U.S. currency. The traffickers would then deliver the cash to couriers approved by the drug lords who would convert the cash into cashier's checks made payable to

specific businesses owned by this individual. The businesses to which these drug funds were delivered are identified by name in the court documents. Accordingly, the fact that this individual was a drug trafficker and the identity of the companies that he used to launder money were known or should have been known to the DEFENDANTS. In spite of this fact, each of the DEFENDANTS continued to sell large volumes of liquor to this individual so that he could distribute them illegally into Colombia and use those sales to launder narcotics and other criminal proceeds. Samuel Santander Lopesierra and his group of companies were major customers of each of the Defendants up to and including the time when he was arrested for narcotics trafficking and money laundering in October 2002. Even after Lopesierra's arrest the Defendants continued to sell liquor to his companies.

(o) The DEFENDANTS maintained direct ongoing relationships with the money laundering organizations located within Colombia and elsewhere. The Aruban distributors were at times mere warehousers or "stockists", and the DEFENDANTS themselves maintained direct relationships with the money-laundering organizations. As such, many times these Colombian criminal organizations were direct clients of DEFENDANTS. An example of the type of relationship that existed between the

DEFENDANTS and their Aruban distributors is the relationship between United Distillers and TRANSIMEX, a Mansur group company and one of the Aruban distributor entities. That relationship is described in the contract between the two parties, as follows:

"THIS AGREEMENT is made between UNITED DISTILLERS ... ('the Company') and TRANSIMEX FREEZONE N.V., ... ("the Stockist") for the purpose of the Stockist stocking products on behalf of the company ("Products"), for the collection of the Products by the Stockist from the Port of discharge in Aruba ('the Port') for storage at the Stockist's secure bonded warehouse ("Warehouse") and for delivery of the Products by the Stockist to the Company's customers ("Customers") within Colombia or any other location as instructed in writing by the Company."

All the DEFENDANTS had similar relationships with Mansur or Harms group companies.

(p) Beginning at least in the 1980s and continuing to the present, the DEFENDANTS and their affiliates entered into agreements with their Aruban, Panamanian, and Colombian distributors by which DEFENDANTS could control the price of their product that illegally entered Colombia while at the same time financing the promotion and marketing of the

illegal product in Colombia. The process worked as follows:

(i) First, the Aruban distributor and the DEFENDANTS agree on how much, on a per case of liquor basis, will be contributed by the DEFENDANTS to the efforts made by the Aruban distributor in Maicao and elsewhere to promote the sale of DEFENDANTS' product.

(ii) The amount of the marketing support allowance is then accounted for and calculated by the Aruban distributor by applying the per-case amount to the volume of product sold by the Aruban distributor during the accounting period. In this accounting, the Aruban distributor determines the volume sold, the amount of the marketing allowance per case, and the Aruban distributor then outlines exactly how the marketing allowance was used, identifying the specific clients that were benefitted by the marketing allowance.

(iii) This accounting is then provided by the Aruban distributor to the DEFENDANTS, and the amounts used by the Aruban distributor, up to the amount-per case agreed upon between the DEFENDANTS and the Aruban distributor is then paid by the DEFENDANTS to the Aruban distributor.

(iv) This activity occurred at all times relevant to this complaint. An example of this type of activity

is the letter sent on January 31st, 1991, to Mr. Kees Bouwkamp, of Seagram Overseas Sales Company, an entity now owned by the DIAGEO/UDV Defendants. In this letter, the Aruban distributor noted that 2840 cases of Chivas Regal were sold by the Aruban distributor and that the agreed upon marketing allowance was 7.60 pounds sterling per case, for a total of 21,584 pounds sterling. The letter also indicated the specific use of the marketing allowance:

"The marketing support allowance was used by MANIMEX FREEZONE N.V. exclusively for 'free goods' to our major customers as follows:

<u>Customer</u>	<u>Free Case Allowance 9/lt. Equiv.</u>
Jose Luis Iguaran	66
Samuel Lopesierra	65
Uriel Arcila	65
Lino Iguaran	65
Gaspar Lubo	65
Total	326
Net Cost of Chivas Regal	PS 66.15
Total Value of free goods	PS 21,584.00"

The purpose of this "marketing support allowance" was to promote the use of DEFENDANTS' products in the money laundering exchange in Panama, Aruba and Colombia.

(q) The DEFENDANTS' Aruban distributors were actively engaged in the exchange of narcotics and other criminal proceeds for a variety of products, including liquor

manufactured by the DEFENDANTS and/or their affiliates. As part of their design to hide their activities from scrutiny, the Aruban distributors routinely use a variety of front companies and other cutouts to funnel narcotics and other criminal proceeds back to the DEFENDANTS. As such, while the DEFENDANTS ostensibly maintain a single relationship with a single Aruban distributor, it was routine throughout the 1990s that payment on the account of the single Aruban distributor would come from a variety of companies and a variety of accounts all controlled ostensibly at arms length by the Aruban distributors. The DEFENDANTS, aware of the artifice and design of the Aruban distributors and the need to disguise the nature, source and origin of the narcotics and other criminal proceeds they were receiving, adapted themselves to and received payment continually from these various cutout companies and the accounts they held.

(r) Transfers of narcotics and other criminal money laundering proceeds such as the above continued throughout the 1990's and continue to this day.

1. Defendants' Direction and Control of the Money-Laundering Scheme

28. The DEFENDANTS controlled every aspect of the financial transactions involving the purchase of their liquor products. The DEFENDANTS also controlled the exact methods and means by which they were paid for the liquor products. In this way, the DEFENDANTS structured their payment schemes to maximize their own security from detection by United States and Colombian law enforcement.

29. In addition to establishing the rules by which the DEFENDANTS would be paid by cash, Brady Bonds, secret payments to foreign accounts, or other means as described more fully below, the DEFENDANTS also dictated that their criminal customers route payments to them through intermediary distributors, shippers, and other cut outs. This procedure, known in money-laundering jargon as "layering," is conducted for the sole purpose of concealing the payments' true source from Colombian and United States law enforcement. In the case of money-laundering transactions related to Colombia, such intermediaries included ROMAR, TRANSIMEX, LICORES ARUBA, and various brokers in Colombia, including Victor Ojeda and Samuel Santander Lopesierra.

30. At key distribution points such as Aruba and Panama, the DEFENDANTS utilized certain distribution, storage

and shipping companies to handle their products. These Aruban and Panamanian companies were organized along strict product lines, and maintained these channels according to specific instructions from the DEFENDANTS, which included special handling instructions for shipments designated for Colombian customers that the DEFENDANTS knew were involved in criminal activities. These customers included but were not limited to Samuel Santander Lopesierra, Lino Iguarán, Gaspar Lubo, Victor Ojeda, and others. The Aruban and Panamanian distributors would constantly use the wires and mails to communicate every detail about their activities. They would send details of product movement of their own products, as well as information on the movement of competitor's products, including prices. They would periodically visit the Colombian customers with representatives of the DEFENDANTS so as to keep a close eye on the market. These direct and constant contacts and communications clearly demonstrated that the DEFENDANTS knew that they were selling to criminal customers and thereby demonstrated that the DEFENDANTS knew that they were receiving criminal proceeds in payment for their products.

2. Money Laundering by the DIAGEO/UDV DEFENDANTS, the SEAGRAM DEFENDANTS, and the PERNOD RICARD DEFENDANTS,

through the MANSUR GROUP

31. The DIAGEO/UDV DEFENDANTS, the SEAGRAM DEFENDANTS, the PERNOD RICARD DEFENDANTS, knowingly sold large volumes of liquor products to and through the various companies of the MANSUR Group, including but not limited to MANSUR TRADING FREEZONE, MANIMEX, TRANSIMEX and MARLEX. The Mansur Group is a large and wealthy Aruban concern involved in a variety of commercial enterprises. Several executives of the MANSUR Group have been indicted in the United States for Money Laundering. The DIAGEO/UDV DEFENDANTS, the SEAGRAM DEFENDANTS, and the PERNOD RICARD DEFENDANTS, their co-conspirators, and the MANSUR group created a complex web of companies located in Aruba and Panama to disguise the true nature and origin of the criminal proceeds that the Mansur money-laundering organizations were receiving from Colombian criminal organizations which included the proceeds of narcotics trafficking, and other illegal activity. Monies received from the Mansur group's criminal activities, as well as from the activities of other criminal organizations, would be smuggled illegally out of Colombia in large amounts, both in the form of raw foreign currency (principally US dollars) and other monetary instruments

(principally third-party checks and money orders), and received by the money-laundering organizations located in Venezuela, including but not limited to the José M. Martino money-laundering organization. The Mansur group companies accomplished their purchases of the DEFENDANTS' liquor products through the use of the U.S. wires and/or mails.

32. From the accounts held by the Mansur Group, payments would be sent directly to the DIAGEO/UDV DEFENDANTS, the SEAGRAM DEFENDANTS, and the PERNOD RICARD DEFENDANTS. Through this process, large volumes of criminal proceeds would be exchanged for the DIAGEO/UDV DEFENDANTS, the SEAGRAM DEFENDANTS, and the PERNOD RICARD DEFENDANTS' liquor products as part of the money-laundering process, and then laundered into the various MANSUR group accounts. The MANSUR group company accounts used in this process that provided payments directly to the DEFENDANTS included:

- (a) DOUBLETREE INVESTMENTS LTD, account #xxxxxx1398 located at Interbank in Oranjestad, Aruba;
- (b) RUNAM HOLDINGS LTD, account number xxxxxxxxxxxx0795 at Interbank Aruba, located in Oranjestad, Aruba;
- (c) CARDGAME LTD, account number xxxxxxxxxxxx1546 at Interbank, located in Oranjestad, Aruba;

(d) PIN POINT HOLDINGS, account number
xxxxxx1134 at Interbank Aruba located in Oranjestad, Aruba;

(e) SATUMA BRANDS N.V., account number
xxxxxxxxxx2825 at Interbank, located in Oranjestad, Aruba;

(f) RED ROBIN LTD., account number xxxx1538 at
Interbank, located in Oranjestad, Aruba;

(g) READON HOLDINGS, account number
xxxxxxxxxx6928 at Interbank, located in Oranjestad, Aruba;

(h) BRAMPTON INTERNATIONAL, account number
xxxxxxxxxx1554 at Interbank, located in Oranjestad, Aruba;

(i) LITANI LIMITED, account number
xxxxxxxxxx2012, located at INTERBANK in Oranjestad, Aruba;

(j) TRANSIMEX FREEZONE N.V., account number
xxxxxxxxxx1583, located at INTERBANK in Oranjestad, Aruba;

(k) MANIMEX FREEZONE N.V., account number
xxxxxxxxxx9326 at Aruba Bank located in Oranjestad, Aruba; and

(l) MANSUR TRADING FREEZONE N.V., account
number xxxxxxxxx8921 at Interbank, located in Oranjestad, Aruba.

33. The DIAGEO/UDV DEFENDANTS, the SEAGRAM
DEFENDANTS, and the PERNOD RICARD DEFENDANTS, all received money
from accounts held by all or several of these Mansur Group
companies.

34. Criminal customers serviced by the Mansur group for these DEFENDANTS included Alfonso Fuminaya, Randolph Habibe, David Cybul, and Jose Lopesierra.

3. Money Laundering by the DIAGEO/UDV DEFENDANTS, the SEAGRAM DEFENDANTS and the PERNOD RICARD DEFENDANTS through ROY and MILTON HARMS

35. The DIAGEO/UDV DEFENDANTS, the SEAGRAM DEFENDANTS, and the PERNOD RICARD DEFENDANTS, all knowingly sold large volumes of liquor products to and through companies owned and operated by Roy Milton Harms, Sr., (known as "Roy") and his son, Roy Milton Harms Jr. (known as "Milton" or "El Gordo"), including but not limited to ROMAR TRADING FREEZONE N.V. The Harms family is a large and wealthy Aruban family involved in a variety of commercial enterprises (the Harms Group). Several members of the HARMS family, specifically Roy Harms and Milton Harms, have been involved in narcotics and other criminal money laundering for several decades. Roy Harms founded ROMAR in the late 1980's, the latest in a long line of money laundering enterprises. The DEFENDANTS, their co-conspirators, Roy Harms and Milton Harms used ROMAR to create a complex web of companies located in Aruba, Panama and elsewhere to disguise the true

nature and origin of the criminal proceeds that the ROMAR money-laundering organization was receiving from Colombian criminal organizations which included the proceeds of narcotics trafficking, and other illegal activity. Monies received from ROMAR'S criminal activities, as well as from the activities of other criminal organizations, would be smuggled illegally out of Colombia in large amounts, both in the form of raw foreign currency (principally US dollars) and other monetary instruments (principally third-party checks and money orders), and received by the money-laundering organizations located in Venezuela, including but not limited to the Servio Tulio Raven Guerra organization. ROMAR accomplished its purchases of the DEFENDANTS' liquor products through the use of the U.S. wires and/or mails.

36. The principal company of the Roy Harms and Milton Harms money-laundering organization was ROMAR TRADING FREEZONE, N.V., located at Oranjestad, Aruba.

37. From the accounts held by the Roy Harms and Milton money-laundering organizations, payments would be sent directly to the DEFENDANTS. Through this process, large volumes of criminal proceeds would be exchanged for DEFENDANTS' liquor products as part of the money-laundering process, and then

laundered into the various Harms Group accounts. The Harms Group company accounts used in this process that provided payments directly to the DEFENDANTS or were used to secret away the fruits of the criminal money-laundering activities included:

(a) ROMAR FREEZONE, account #xxxxx.649 located at ABN/AMRO Bank in Oranjestad, Aruba; account xxxxx57.5 located at Aruba Bank in Oranjestad, Aruba; account xx5328 located at Caribbean Mercantile Bank in Oranjestad, Aruba; account xxxxxxxxxxxxxxxx.004 located at First National Bank in Oranjestad, Aruba; account xxxxx.633 located at ABN/AMRO Bank in Willemstad, Curacao; account number xxxxx.262 located at ABN/AMRO Bank in St. Maarten, West Indies; account xxxxxxxxxxxx0255 located at ABN/AMRO Bank in Miami, Florida;

(b) ETANA HOLDING, account xxxxx.094 and account xxxxx.124, located at ABN/AMRO Bank in Willemstad, Curacao;

(c) MATSUMOTO INVESTMENT LTD., account xxxxx2414 located at First Union Bank in Miami, Florida;

(d) TRANSPORTES Y FLETES, C.A., account xxxxx.979 and account xxxxx.987, located at ABN/AMRO Bank in Willemstad, Curacao;

(e) ALTAMIRA INVESTMENT A.V.V., account

xxxx03.0, located at Aruba Bank in Oranjestad, Aruba and account
xxxxxx.996 located at ABN/AMRO Bank in Oranjestad, Aruba;

(f) DISTRIBUIDORA CARACAS S.A., account
xxxxxx.952 and account xxxxxx.960 account xxxxxx.094 located at
ABN/AMRO Bank in Willemstad, Curacao;

(g) GOLDEN EAGLE INVESTMENTS N.V., account
xxxxxx.003 located at ABN/AMRO Bank in Oranjestad, Aruba;

(h) BERCOW HOLDING, account xxxxxx.936 and
account xxxxxx.936 located at ABN/AMRO Bank in Willemstad,
Curacao;

(i) ROMAR FREEZONE TRADING, account xxxxxx.633
and account xxxxxx.765 located at ABN/AMRO Bank in Willemstad,
Curacao; and

(j) KULOFF LTD., account xxxxxx.108 and account
xxxxxx.132 located at ABN/AMRO Bank in Willemstad, Curacao.

38. On a routine money-laundering collection trip on
February 22, 1994, Servio Tulio Raven Guerra and Milton Harms
were on their way back from a day of collections of narcotics
and other criminal proceeds in Maicao, Colombia. They had
already crossed the Colombia/Venezuelan border, bribing the
border guards as they went. They had collected US\$ 400,160.00
and 2.6 million Venezuelan Bolivares, in cash. Having smuggled

the cash out of Colombia, they were detained by chance by a roving unit of the Venezuelan Army, and the cash was seized. Both Servio Tulio Raven Guerra and Milton Harms were arrested. After spending several days in Venezuelan jail, the two money-launderers were released and fled back to Aruba. The seized money remained in Venezuela pending the outcome of an investigation into the source of the money. Once back in Aruba, Milton made efforts to recover his money from the Venezuelan Authorities. In order to demonstrate that the money was part of his normal business operation, he requested that the Managers of the ABN/AMRO Bank in Aruba, M.M. Loefstok and E.L. Farro write a letter to the Venezuelan judge handling the case. The following is the transcript of a certified translation of the letter:

"ABN-AMRO Bank

Honorable
Dr. O Perez de la Cruz
Fourteenth First Instance
Penal Court of Zulia
Maracaibo - Zulia State
Republic of Venezuela

Department:
Business Development

Date:
March 15, 1994

Reference:
Mrs. F. M. Chan

Very respectfully,

By means of this letter we address your honorable court at the request of the Board of Directors of ROMAR FREEZONE TRADING COMPANY N.V., a business corporation legally incorporated under the business laws of the Territory of the Island of Aruba and all applicable laws in effect in the Netherlands.

For such purposes, we would like to state and certify the following facts:

1. This banking institution has maintained relationships with Mr. Roy Milton Harms, shareholder and director of ROMAR, since 1956 when he acted as shareholder and director of HARMS BROTHERS Ltd., a corporation that dealt, as well as ROMAR, in the sale, distribution and export of cigarettes, liquor, chocolates, etc., to the Caribbean area, and very especially to the Republic of Colombia.
2. Since March 1988, Mr. Roy Milton Harms, with his sons Roy Milton Harms, Jr. and Edmund Everard Harms, started ROMAR FREE ZONE TRADING COMPANY N.V. with identical and similar activities to those that they had developed, when they rendered their services to HARMS BROTHERS Ltd.
3. It has been normal activity, specifically for this type of company, such as ROMAR, to legally bring in cash from clients in the Republic of Colombia, especially from the city of Maicao; this is money that enters after prior and formal declaration to the local customs authorities.
4. To our knowledge, money representing the product of the collections efforts of ROMAR's executives and representatives is transported, after its declaration and approval by customs authorities, to the vaults of our main offices in this city where, after being counted and verified, it is credited to ROMAR's bank account.
5. This process of receiving foreign currency (dollars) is not only performed by ROMAR, but it used to be a normal and common practice performed on a weekly basis by HARMS BROTHERS Ltd. with this bank.
6. From the profits obtained by ROMAR, that are deposited into its bank account, we can certify which are the main companies to which payments have been, and are presently

being sent, and what amounts of ROMAR's total outlays said payments represent during 1993:

		Amount	Percentage
C.A.	CIGARRERA	USD	46.5
BIGOTT, SUCS.		32,622,624.31	
Caracas, Venezuela			
UNITED	DISTILLERS	GBP	21.8
PLC.		12,805,621.11	
Glasgow, Scotland,			
United Kingdom			
B.A.T.	(UK. & EXPORT)	USD 7,190,820.15	10.3
London	- United Kingdom		
M&M	MARS /	USD 296,754.60	0.4
MASTERFOOD			
INTERAMERICA	Puerto Rico		
BROWN & WILLIAMSON		USD 3,604,977.90	5.1
TOBACCO CORPORATION			
Louisville, Kentucky			
TABACALERA		USD 1,010,534.00	1.4
HONDUREÑA, S.A.			
San Pedro Sula - Honduras			
VIÑA CONCHA Y TORO, S.A.		USD 153,913.94	0.2
Santiago de Chile - Chile			
COMPAÑÍA SOUZA CRUZ		USD 2,173,392.28	3.1
Rio de Janeiro - Brazil			
GALLO WINERY, MODESTO, CALIFORNIA		USD 118,182.12	0.2
United States of America			

Payments to the above mentioned companies represent a total of 89% of the income deposits made by ROMAR.

Finally, we would like - expressly - to be at your disposal in order to provide you any additional or clarifying information that in this regard the Honorable Judge may

request.

This information is provided to you in a confidential manner and without any liability on our part.

Sincerely,
ABN AMRO Bank N.V. [initials]

[signature][signature]
M.M. LoefstokE. L. Farro
Deputy Manager Senior Account Manager

39. Except for the misrepresentation that the funds were not criminal proceeds, this letter provides a good example of the money-laundering cycle.

4. Satuma Brands

40. The DIAGEO/UDV, PERNOD RICARD and SEAGRAM DEFENDANTS and their co-conspirators created, acquired and sustained multiple business entities in order to carry out and/or facilitate their illegal distribution and criminal money-laundering scheme. An example of these entities created by the DIAGEO/UDV, PERNOD RICARD and SEAGRAM DEFENDANTS and/or their co-conspirators is SATUMA BRANDS N.V., incorporated in Aruba on May 5th, 1992. One of the directors of this limited liability company, formed under the laws of Aruba, was JOSE FERNANDO

LOPESIERRA, (AKA "Jochi") who, on September 19th, 2002, was indicted by the United States for narcotics trafficking, along with multiple co-conspirators, including but not limited to his brother, Samuel Santander Lopesierra (aka "Santa", described elsewhere in this complaint). JOSE FERNANDO LOPESIERRA was arrested by Colombian authorities pursuant to the US arrest warrant and request for extradition, and then extradited to the United States on August 29th, 2003, along with his brother.

41. As noted above, JOSE FERNANDO LOPESIERRA was a managing director of SATUMA BRANDS from its inception to May 20th, 1996. During that time, and continuing thereafter, SATUMA BRANDS was fully engaged in the illegal distribution activities described in this complaint for the DIAGEO/UDV, PERNOD RICARD and SEAGRAM DEFENDANTS, including but not limited to: receiving narcotics proceeds in exchange for DIAGEO/UDV, PERNOD RICARD and SEAGRAM DEFENDANTS liquor products and the illegal distribution on behalf of the DIAGEO/UDV, PERNOD RICARD and SEAGRAM DEFENDANTS of the DEFENDANTS' liquor products within the Republic of Colombia.

5. Operation "Golden Trash"

42. Since the 1980's, throughout the 1990's and continuing to this day, United States, Colombian and Aruban law enforcement officials have worked to put an end to money-laundering, with special emphasis placed on Colombian Narcotics related money laundering. As part of these efforts, law enforcement agencies have run undercover operations to infiltrate and expose Colombian narcotics money laundering operations. One of these operations, known as OPERATION "GOLDEN TRASH", involved a criminal scheme to deposit narcotics proceeds into Puerto Rican banks. Subsequent to these deposits, "manager's checks" were then drawn. These checks contained and were in fact the proceeds of narcotics sales. It was the design of the criminal conspiracy to use the Puerto Rican "manager's checks" as a means to convert the bulk narcotics proceeds into more easily handled checks. These "managers checks" were then handled in a manner similar to the "third-party checks" out of the Eastern District of New York and Miami, i.e. they were smuggled out of the United States into Panama, Aruba, and Colombia. In Colombia, the criminal narcotics money-laundering organizations would exchange the "managers checks" for liquor products. These checks would then be smuggled out of Colombia

and taken back to Aruba and elsewhere, where they were then deposited into ROMAR and MANSUR Group accounts, among others. These narcotics proceeds were then wired directly to the DEFENDANTS. Examples of these 'managers checks' constituting narcotics proceeds that were processed through this mechanism include, but are not limited to:

(a) CO-OP Manager's check number 061062, for US\$5,000.00, dated May 14th, 1992, deposited into TRANSIMEX FREEZONE N.V.'S account #xxxxxx1583 located at Interbank in Oranjestad, Aruba;

(b) CO-OP Manager's check number 106244, for US\$5,000.00, dated June 1st, 1994, deposited into ROMAR FREEZONE TRADING COMPANY'S account #xxxxxx.649 at ABN/AMRO Bank in Oranjestad, Aruba;

(c) CO-OP Manager's check number 100504, for US\$3,500.00, dated December 28th, 1993, deposited into DOUBLETREE INVESTMENTS LTD'S account #xxxxxx1398 located at Interbank in Oranjestad, Aruba;

(d) CO-OP Manager's check number 100505, for US\$4,500.00, dated December 21st, 1993, deposited into DOUBLETREE INVESTMENTS LTD'S account #xxxxxx1398 located at Interbank in Oranjestad, Aruba;

(e) CO-OP Manager's check number 100508, for US\$4,500.00, dated January 13th, 1994, deposited into SATUMA BRANDS N.V.'S account #xxxxx2825 located at Interbank in Oranjestad, Aruba;

(f) CO-OP Manager's check number 100511, for US\$4,000.00, dated January 13th, 1994, deposited into SATUMA BRANDS N.V.'S account #xxxxx2825 located at Interbank in Oranjestad, Aruba;

(g) CO-OP Manager's check number 100519, for US\$3,500.00, dated January 13th, 1994, deposited into SATUMA BRANDS N.V.'S account #xxxxx2825 located at Interbank in Oranjestad, Aruba;

(h) CO-OP Manager's check number 100516, for US\$5,000.00, dated January 4th, 1994, deposited into DOUBLETREE INVESTMENTS LTD'S account #xxxxx1398 located at Interbank in Oranjestad, Aruba;

(i) CO-OP Manager's check number 100522, for US\$3,500.00, dated January 4th, 1994, deposited into DOUBLETREE INVESTMENTS LTD'S account #xxxxx1398 located at Interbank in Oranjestad, Aruba;

(j) CO-OP Manager's check number 100523, for US\$5,000.00, dated December 28th, 1994, deposited into DOUBLETREE

INVESTMENTS LTD'S account #xxxxxx1398 located at Interbank in
Oranjestad, Aruba;

(k) CO-OP Manager's check number 100890, for
US\$3,000.00, dated April 19th, 1994, deposited into READON
HOLDING'S account #xxxxxx6928 located at Interbank in Oranjestad,
Aruba;

(l) CO-OP Manager's check number 100891, for
US\$3,500.00, dated April 20th, 1994, deposited into READON
HOLDING'S account #xxxxxx6928 located at Interbank in Oranjestad,
Aruba, and,

(m) CO-OP Manager's check number 100524, for
US\$4,000.00, dated January 4th, 1994, deposited into DOUBLETREE
INVESTMENTS LTD'S account #xxxxxx1398 located at Interbank in
Oranjestad, Aruba.

(n) CO-OP Manager's check number 100712, for
US\$4,500.00, dated June 1, 1994, deposited into ROMAR FREEZONE
TRADING COMPANY'S account #xxxxxx.649 at ABN/AMRO Bank in
Oranjestad, Aruba;

(o) CO-OP Manager's check number 100730, for
US\$3,200.00, dated June 1, 1994, deposited into ROMAR FREEZONE
TRADING COMPANY'S account #xxxxxx.649 at ABN/AMRO Bank in
Oranjestad, Aruba;

(p) CO-OP Manager's check number 100971, for US\$5,000.00, dated June 1, 1994, deposited into ROMAR FREEZONE TRADING COMPANY'S account #xxxxxx.649 at ABN/AMRO Bank in Oranjestad, Aruba;

(q) CO-OP Manager's check number 100973, for US\$5,000.00, dated June 1, 1994, deposited into ROMAR FREEZONE TRADING COMPANY'S account #xxxxxx.649 at ABN/AMRO Bank in Oranjestad, Aruba;

(r) CO-OP Manager's check number 100974, for US\$4,800.00, dated June 1, 1994, deposited into ROMAR FREEZONE TRADING COMPANY'S account #xxxxxx.649 at ABN/AMRO Bank in Oranjestad, Aruba;

(s) CO-OP Manager's check number 100976, for US\$4,800.00, dated June 1, 1994, deposited into ROMAR FREEZONE TRADING COMPANY'S account #xxxxxx.649 at ABN/AMRO Bank in Oranjestad, Aruba;

(t) CO-OP Manager's check number 100978, for US\$4,500.00, dated June 1, 1994, deposited into ROMAR FREEZONE TRADING COMPANY'S account #xxxxxx.649 at ABN/AMRO Bank in Oranjestad, Aruba;

(u) CO-OP Manager's check number 100980, for US\$4,500.00, dated June 1, 1994, deposited into ROMAR FREEZONE

TRADING COMPANY'S account #xxxxxx.649 at ABN/AMRO Bank in
Oranjestad, Aruba;

(v) CO-OP Manager's check number 100985, for
US\$4,000.00, dated June 1, 1994, deposited into ROMAR FREEZONE
TRADING COMPANY'S account #xxxxxx.649 at ABN/AMRO Bank in
Oranjestad, Aruba;

(w) CO-OP Manager's check number 100987, for
US\$3,500.00, dated June 1, 1994, deposited into ROMAR FREEZONE
TRADING COMPANY'S account #xxxxxx.649 at ABN/AMRO Bank in
Oranjestad, Aruba; and,

(x) CO-OP Manager's check number 100989, for
US\$3,500.00, dated June 1, 1994, deposited into ROMAR FREEZONE
TRADING COMPANY'S account #xxxxxx.649 at ABN/AMRO Bank in
Oranjestad, Aruba.

43. After being deposited into accounts held by the MANSUR Group and the Harms Group, these funds were commingled with additional criminal proceeds and were then wired to each of the DEFENDANTS. The purpose of the commingling was to further disguise the true nature and source of the proceeds. The Mansur Group then forwarded these proceeds to the DIAGEO/UDV DEFENDANTS, the SEAGRAM DEFENDANTS, and the PERNOD RICARD DEFENDANTS. Similarly, the HARMS Group forwarded these proceeds

to the DIAGEO/UDV DEFENDANTS, the SEAGRAM DEFENDANTS, and the PERNOD RICARD DEFENDANTS.

VII. DEFENDANTS' JOINT EFFORTS TO DECEIVE THE PLAINTIFFS

The Colombian Association of Importers of Liquor and Wines (ACODIL)

44. The DEFENDANTS participated in and/or maintained an industry association known as the Colombian Association of Importers of Liquor and Wines (*Asociación Colombiana de Importadores de Licores y Vinos*), known as "ACODIL".

45. It was the design, purpose and intent of the DEFENDANTS to take advantage of ACODIL and to use it as a means by which they could further deceive and defraud the Colombian government, including the REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA. Many of the items on the DEFENDANTS' individual "External Affairs" agendas were executed by ACODIL. ACODIL was and is an association of all of the DEFENDANTS or their representatives and agents, and other innocent parties, and has been used by the DEFENDANTS to further the deception of the REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA as to the true source and cause of the

illegal trade in liquor products. It was also used to lobby the PLAINTIFFS so as to prevent effective action by the PLAINTIFFS to discover and put an end to the criminal narcotics money-laundering scheme engaged in by the DEFENDANTS. An example of such deception is contained in a letter sent on July 30th, 1998, by the Director of ACODIL, who at the time was also the General Director of UDV/RUEDA, the DIAGEO/UDV subsidiary in Colombia. In this letter, addressed to the Colombian Ministry of Foreign Trade, the Director of ACODIL - UDV/RUEDA presented a document to the Colombian government, entitled "Proposal for the Fight against the Informal Market in Wine and Liquor." The letter notes that the document had already been presented to the Minister of Finance, and that it was being discussed on an individual basis with the individual Governors. The purpose of the proposal was to make certain changes in the way the Colombian government controlled the liquor industry in order to more effectively fight against the informal market. At no time did the Director of ACODIL - UDV/RUEDA state that the parties he represented were in fact the cause of the "informal market" and that such market had been created and manipulated to take advantage of the criminal money-laundering mechanism whose benefits gave them an overwhelming competitive advantage over

their competitors. The proposal went to great lengths to deceive and misinform the PLAINTIFFS and to mislead them as to the causes and solutions to the huge "informal market", which, according to the letter, reached an astonishing 84% of the total market for imported liquor. In their desire to steer any suspicion away from them, the DEFENDANTS, through ACODIL, included a section in the proposal entitled "Motivation for ACODIL", or "Motivation of the Members of ACODIL". In this section, the DEFENDANTS, through ACODIL, noted that their reasons for providing the proposal were to:

- "Facilitate the building of long-term brands
- Generate stable and sustainable income over the long-term
- Create profitable and sustainable businesses in Colombia
- Protect the consumer and the brands from the scourge of adulteration
- Promote the participation of the importers for the well-being of the local community (employment, sponsorships, etc.)"

(emphasis in original).

At no time did the DEFENDANTS frankly disclose their role in the creation, support and control of the informal market and through this and other direct communication to the PLAINTIFFS at all times attempted to deceive and mislead the PLAINTIFFS as to the causes of and solutions to the "informal market".

Acting through the aforesaid group, the DEFENDANTS obstructed Colombian government oversight and falsely represented to PLAINTIFFS and the public that the DEFENDANTS were not involved in illegal activities. This deception and fraud continues to this day.

VIII. ALLEGATIONS AS TO INDIVIDUAL DEFENDANT GROUPS

1. DIAGEO/UDV's Direct Involvement in Money Laundering and Organized Crime

46. The DIAGEO/UDV DEFENDANTS sell various brands of liquor into illegal channels in Colombia including Johnny Walker, Smirnoff, Jose Cuervo, Dom Perignon, and others.

47. The DIAGEO/UDV DEFENDANTS maintained a group of agents and employees dedicated exclusively to promoting the illegal sale of DIAGEO/UDV products Colombia including the receipt of criminal proceeds from Colombian and other international criminal organizations. Examples of these agents and employees include Philip Lewis, René Scull, Luke Tegner, Gavin Gemmell, Chris Stokes, Martin Browne, and Lorna Dunster, who worked for several DIAGEO/UDV companies and their affiliates, including United Distillers in the United States,

Venezuela and Scotland. These employees, each a key figure in the DIAGEO/UDV DEFENDANT'S liquor for criminal proceeds money-laundering scheme, directly serviced the accounts of the principal money launderers who were providing criminal proceeds to DIAGEO/UDV in exchange for DIAGEO/UDV products. In fact, on behalf of DIAGEO/UDV, these employees were in charge of handling the accounts that facilitated the exchange of huge amounts of criminal proceeds for DIAGEO/UDV products, and were personally responsible for remitting products to and receiving payments from the Aruba, Panamanian and Colombian money laundering organizations who, in turn, received their laundered proceeds from representatives of Colombian and other organized crime.

48. These employees and DIAGEO/UDV knew that the proceeds that they were receiving from their distributors represented and, in fact, were proceeds of criminal activities occurring in Colombia and elsewhere, and that the design and intent of their money laundering co-conspirators was to use DIAGEO/UDV products to further their money-laundering scheme. In fact, starting in the 1980s and throughout the 1990s DIAGEO/UDV employees, including but not limited to Philip Lewis, René Scull, Luke Tegner, Gavin Gemmell, Chris Stokes, Martin Browne and Lorna Dunster, maintained close, almost daily

communications with their money laundering co-conspirators located in Colombia, Aruba and Panama.

49. Examples of individual transactions of criminal money-laundering proceeds being forwarded to the DIAGEO/UDV defendants through the money-laundering scheme include:

(a) On July 14th, 1995, Mansur Trading Freezone, N.V. transferred US\$1,086,878.32 of criminal proceeds to the DIAGEO/UDV DEFENDANTS United Distillers affiliate from its account number xxxxxxxxxxxx8921 at Interbank, located in Oranjestad, Aruba, in payment for liquor products;

(b) On July 26th, 1995, Mansur Trading Freezone, N.V. transferred US\$1,184,795.51 of criminal proceeds to the DIAGEO/UDV DEFENDANTS United Distillers affiliate from its account number xxxxxxxxxxxx8921 at Interbank, located in Oranjestad, Aruba, in payment for liquor products;

(c) On August 25th, 1995, Mansur Trading Freezone, N.V. transferred US\$500,525.00 of criminal proceeds to the DIAGEO/UDV DEFENDANTS United Distillers affiliate from its account number xxxxxxxxxxxx8921 at Interbank, located in Oranjestad, Aruba, in payment for liquor products;

(d) On August 31st, 1995, Mansur Trading Freezone, N.V. transferred US\$140,420.14 of criminal proceeds to

the DIAGEO/UDV DEFENDANTS United Distillers affiliate from its account number xxxxxxxxxxxx8921 at Interbank, located in Oranjestad, Aruba, in payment for liquor products;

(e) On September 8th, 1995, Mansur Trading Freezone, N.V. transferred US\$299,668.42 of criminal proceeds to the DIAGEO/UDV DEFENDANTS United Distillers affiliate from its account number xxxxxxxxxxxx8921 at Interbank, located in Oranjestad, Aruba, in payment for liquor products;

(f) On October 18th, 1995, Mansur Trading Freezone, N.V. transferred US\$813,525.14 of criminal proceeds to the DIAGEO/UDV DEFENDANTS United Distillers affiliate from its account number xxxxxxxxxxxx8921 at Interbank, located in Oranjestad, Aruba, in payment for liquor products;

(g) On November 22nd, 1995, Mansur Trading Freezone, N.V. transferred US\$1,170,016.50 of criminal proceeds to the DIAGEO/UDV DEFENDANTS United Distillers affiliate from its account number xxxxxxxxxxxx8921 at Interbank, located in Oranjestad, Aruba, in payment for liquor products;

(h) On December 8th, 1995, Mansur Trading Freezone, N.V. transferred US\$335,959.53 of criminal proceeds to the DIAGEO/UDV DEFENDANTS United Distillers affiliate from its account number xxxxxxxxxxxx8921 at Interbank, located in

Oranjestad, Aruba, in payment for liquor products;

(i) On January 22nd, 1996, Mansur Trading Freezone, N.V. transferred US\$957,152.16 of criminal proceeds to the DIAGEO/UDV DEFENDANTS United Distillers affiliate from its account number xxxxxxxxxxxx8921 at Interbank, located in Oranjestad, Aruba, in payment for liquor products;

(j) On January 29th, 1996, Mansur Trading Freezone, N.V. transferred US\$634,385.26 of criminal proceeds to the DIAGEO/UDV DEFENDANTS United Distillers affiliate from its account number xxxxxxxxxxxx8921 at Interbank, located in Oranjestad, Aruba, in payment for liquor products.

50. The aforesaid conduct continues unchecked to the present date. As recently as August 2004, the DEFENDANTS have sold their liquor products to criminal organizations in Maicao, Colombia, with the knowledge that they were receiving criminal proceeds in payment for these products and thereby committing money-laundering.

51. Known criminal customers of the DIAGEO/UDV DEFENDANTS include Samuel "Santa" Lopesierra, Alfonso Fuminaya, Randolph Habibe, David Cybul, and Jose Lopesierra.

2. Seagram's Direct Involvement in Money Laundering and Organized Crime

52. The SEAGRAM DEFENDANTS sell various brands of liquor, including Chivas Regal, Passport, Glenlivet, and others, into illegal channels in Colombia including.

53. The SEAGRAM DEFENDANTS maintained a group of agents and employees dedicated exclusively to promoting the illegal sale of SEAGRAM products in Colombia including the receipt of criminal proceeds from Colombian and other international criminal organizations. One of these agents and employees was Kees Bouwkamp, who worked for several SEAGRAM companies and affiliates, including Seagram Overseas Sales Company (SOSCO) located at 375 Park Avenue, New York, New York 10152, U.S.A., and later at what was known by several names, including but limited to the "Export Marketing Company" located 2 Alhambra Plaza, Suite 507, Coral Gables, FL 33134. Mr. Bouwkamp, a key figure in the SEAGRAM DEFENDANT'S liquor for criminal proceeds money-laundering scheme, directly serviced the accounts of the principal money launderers who were providing criminal proceeds to SEAGRAM in exchange for SEAGRAM products. In fact, on behalf of SEAGRAM, Mr. Bouwkamp was in charge of handling the accounts that facilitated the exchange of huge amounts of criminal proceeds for SEAGRAM products, and was

personally responsible for remitting products to and receiving payments from the Aruba, Panamanian and Colombian money-laundering organizations who, in turn, received their laundered proceeds from representatives of Colombian and other organized crime.

(a) Mr. Bouwkamp and SEAGRAM knew that the proceeds that they were receiving from their distributors represented and, in fact, were proceeds of criminal activities occurring in Colombia and elsewhere, and that the design and intent of their money laundering co-conspirators was to use SEAGRAM products to further their money-laundering scheme. In fact, starting in the 1980s and throughout the 1990s Mr. Bouwkamp and SEAGRAM maintained close, almost daily communications via use of the US wires and/or mails with their money-laundering co-conspirators located in Colombia, Aruba and Panama.

(b) For example, on October 31, 1992, the SEAGRAM distributors in Aruba communicated, via letter faxed to Mr. Bouwkamp a communication in which the distributor made a claim under the contractual agreement between SEAGRAM and its affiliates and the Aruban distributor for reimbursement of "marketing support allowances" used by the Aruban distributor to

promote the use of SEAGRAM-brand liquor in the lucrative liquor for criminal proceeds exchange. In that communication, and in dozens of others, the Aruban distributor identified their "major customers" as being Jose Luis Iguaran, Samuel Lopesierra, Uriel Arcila, Lino Iguaran and Gaspar Lugo. These "major customers" were known to Mr. Bouwkamp and to the SEAGRAM DEFENDANTS as being several of the principals of money laundering operations.

(c) Other examples of SEAGRAM employees who were directly involved in the criminal money laundering enterprise include Michael Misiorski, Daniel Koslovsky, Santiago Sablón, Silvio Lean, Jim Howie, and Jerrold K. Milstead.

(d) Beginning at least in the 1980s and continuing throughout the 1990s the SEAGRAM DEFENDANTS and their affiliates entered into agreements with their Aruban, Panamanian, and Colombian distributors by which SEAGRAM DEFENDANTS would provide a set sum of money per case sold by their distributors to be used for marketing support. The purpose of this "marketing support allowance" was to promote the use of SEAGRAM'S products in the money laundering exchange in Panama, Aruba and Colombia. The amounts payable to the Aruban distributors were not deducted from the Aruban distributors' open account with the SEAGRAM DEFENDANTS and/or their

affiliates, but rather billed by the Aruban distributors to SEAGRAM and/or their affiliates, who in turn, would issue a check to the Aruban distributor for the amounts claimed.

(e) Examples of such invoices generated by the Aruban distributors to the SEAGRAM DEFENDANTS and/or their affiliates are invoices numbers 1032 dated October 31, 1992, in the amount of 30,400 British pounds; 1033 dated October 31, 1992, in the amount of 26,700 British pounds; and 1034 dated also issued on October 31, 1992, in the amount of 8,000 British pounds. Upon receipt of the invoices, the SEAGRAM DEFENDANTS and/or their affiliates would issue subsequent checks in favor of the Aruban distributor.

(f) Examples of such payments and drafts from SEAGRAM to the Aruban distributors in reimbursement of marketing expenses incurred by the Aruban distributors as agreed with Mr. Bouwkamp and the SEAGRAM DEFENDANTS and/or their subsidiaries, are too numerous to complete outline in this complaint, but examples include 122,585.31 British Pounds paid to the Aruban distributor on December 16, 1992, via check number 159581 drawn on account held by Joseph E. Seagram and Sons Incorporated at CoreState Philadelphia National Bank, and check number 150369 issued on January 30, 1992, in the amount of 111,461.20 British

Pounds.

54. Examples of the money laundering transactions through the common scheme carried out by the SEAGRAM DEFENDANTS and their co-conspirators include:

(a) Payments by Brampton International Limited which made multiple payments to the SEAGRAM DEFENDANTS and/or their affiliates, including October 4, 1993, when a check was issued on account number xxxxxxxxx1554 at Interbank, located in Oranjestad, Aruba. The payment for \$280,062.88 dollars, covered several invoices of Chivas Brothers' scotch whisky sold by the SEAGRAM DEFENDANTS and/or their affiliates to the Aruban distributors for sale in the illegal liquor market in Colombia;

(b) Payments by Manimex Free Zone N.V., which issued a check on September 10, 1993, in favor of Chivas Brothers for Chivas Regal scotch sold to the Aruban distributor for sale in the illegal liquor market in Colombia. The payment for \$614,861.46, came from account xxxxxxxxx9326 held by Manimex at Aruba Bank located in Oranjestad, Aruba;

(c) Payments by Cardgame Limited, which on November 4, 1993, issued a check to Chivas Brothers in payment for Chivas Regal scotch sold by the SEAGRAM DEFENDANTS and/or their affiliates to the Aruban distributor for sale in the

illegal liquor market in Colombia. The check, issued for \$24,279.27, was issued on account number xxxxxxxx1546 at Interbank, located in Oranjestad, Aruba;

(d) Payments by Pinpoint Holdings Limited which on November 2, 1993, issued a check as payment for Chivas Regal scotch whisky sold by the SEAGRAM DEFENDANTS and/or their affiliates to the Aruban distributor for sale in the illegal liquor market in Colombia. The check, issued for \$516,117.57 was issued on account number xxxxx1134 at Interbank Aruba located in Oranjestad, Aruba;

(e) Payments by Runam Holdings Limited, which on July 22, 1992, issued three checks, \$112,627.07, \$102,709.01 and \$126,391.59 in favor of Chivas Brothers Limited as payments for Chivas Regal scotch whisky sold to the Aruban distributor for sale in the illegal liquor market in Colombia. These three checks, were drawn on account number xxxxxxxxx0795 at Interbank Aruba, located in Oranjestad, Aruba;

(f) Payments by Aruba Bank Limited, which on June 8, 1994, issued a check in favor of Chivas Brothers Limited as payment for Chivas Regal scotch whisky sold to the Aruban distributor for sale in the illegal liquor market in Colombia. The check for \$396,323.27 was drawn on account number

xxxxxxxxxx1526 held by Manimex Free Zone N.V at Aruba Bank Limited, located in Oranjestad, Aruba.

55. The SEAGRAM DEFENDANTS maintained constant high-level communication with their Aruban distributors, managing, on a daily basis, the relationship with one of their largest distributors in the world. The DEFENDANTS used the U.S. wires and mail to carry out this communication and to closely manage and monitor their important and highly-profitable money-laundering enterprise. Examples of this high degree communication to manage the money-laundering enterprise include, but are not limited to:

(a) Fax communication dated August 22nd, 1994 from Michael Misiorski, Director of Finance and Administration for the SEAGRAM Export Marketing Company (now DEFENDANT SEAGRAM EXPORT SALES COMPANY, currently property of DEFENDANT DIAGEO/UDV), to MANIMEX FREEZONE, N.V., in which Mr. Misiorski raised issues concerning payments from MANIMEX to SEAGRAM. This communication was sent via fax from Miami to Aruba via United States wires.

(b) Fax communication from Ms. Ilienne Ponson Mansur, on behalf of MANIMEX FREEZONE, N.V., in which Ms. Ponson-Mansur pointed out several remissions of substantial

payments constituting the proceeds of narcotics and other criminal money laundering that were not credited by SEAGRAM to the MANIMEX account. Ms. Ponson-Mansur then suggested that "Since it is of the utmost importance to you to have your accounts receivables payments in on time we would like to start sending our payments directly to your office and you can then forward it to the corresponding offices. This way there will be no delay in crediting our account." This proposal was, in essence, to use the SEAGRAM Miami office as a clearinghouse and hub for the narcotics and other criminal money-laundering scheme payments to the all of the SEAGRAM DEFENDANTS entities (now belonging to the PERNOD RICARD and DIAGEO/UDV DEFENDANTS). Payments from the money-laundering operation in Aruba/Colombia would go to the Miami office of the SEAGRAM DEFENDANTS and from there would be further disbursed. This communication was sent via fax from Aruba to Miami via United States wires, and was a reasonably foreseeable act of a SEAGRAM co-conspirator in furtherance of the common money-laundering scheme.

(c) Fax communication from Michael Misiorski, Director of Finance and Administration for SEAGRAM EXPORT MARKETING COMPANY (now DEFENDANT SEAGRAM EXPORT SALES COMPANY, currently property of DEFENDANT DIAGEO/UDV), in which Mr.

Misiorski notified MANIMEX that the missing payments noted by Ms. Ponson-Mansur had been credited to the MANIMEX account, and forwarded a copy of the consolidated statement for SATUMA for review. Mr. Misiorski, as Director of Finance and Administration for SEAGRAM EXPORT MARKETING COMPANY further indicated SEAGRAM accepted MANIMEX'S proposal to use SEAGRAM'S Miami office as a clearinghouse for all the money-laundering payments to all of the SEAGRAM DEFENDANTS. In this regard, he wrote:

"In reference to your request to send your payments directly to us, kindly send them to the attention of:

Mr. Santiago Sablon
Export Manager
Seagram EMC
Two Alhambra Plaza
Suite 807
Coral Gables, FL 33134

Once we receive the funds we will forward them to the correct ex-point for proper handling."

56. The aforesaid conduct continues unchecked to the present date. As recently as August 2004, the DEFENDANTS have sold their liquor products to criminal organizations in Maicao, Colombia, with the knowledge that they were receiving criminal proceeds in payment for these products and thereby committing money laundering.

57. Known criminal customers of the SEAGRAM

DEFENDANTS include Samuel "Santa" Lopesierra, Alfonso Fuminaya, Randolph Habibe, David Cybul, and Jose Lopesierra.

3. DIAGEO DEFENDANTS' and PERNOD RICARD DEFENDANTS' Purchase of SEAGRAM Assets

58. On December 4th, 2000, DEFENDANTS DIAGEO and PERNOD RICARD entered into a framework and implementation agreement (which agreement has subsequently been amended) (the "Framework and Implementation Agreement") relating to the acquisition from VIVENDI UNIVERSAL S.A. of certain companies and assets and the assumption of certain liabilities comprising the Seagram spirits and wine and beverage businesses (the "Seagram Spirits and Wine Division"). As noted above, this Framework and Implementation Agreement has been amended and/or superseded several times. On April 14th, 2003, the current agreement was entered into by the DIAGEO AND PERNOD RICARD DEFENDANTS. This agreement, called the "Agreement Relating to the Termination of the Framework and Implementation Agreement" is known as "SOFIA".

59. On December 19th, 2000, DEFENDANTS DIAGEO PLC. and PERNOD RICARD S.A. purchased SEAGRAM from Vivendi via the "Vivendi Sale Agreement". Pursuant to the Vivendi Sale

Agreement, the DIAGEO DEFENDANTS, the PERNOD RICARD DEFENDANTS, certain jointly-owned entities of both the DIAGEO DEFENDANTS and the PERNOD RICARD DEFENDANTS, certain of the DIAGEO DEFENDANTS' affiliates and certain of the PERNOD RICARD DEFENDANTS' affiliates acquired substantial SEAGRAM companies and assets and assumed certain of the liabilities comprising the Spirits and Wine Division.

60. The DIAGEO and PERNOD RICARD DEFENDANTS agreed to purchase the SEAGRAM Spirits and Wine Division to further their illegal and anti-competitive activities, and agreed to continue to manage these entities, both jointly and separately. In this way, the DIAGEO/UDV DEFENDANTS and the PERNOD RICARD DEFENDANTS knowingly acquired a money-laundering enterprise in order to enhance and to further their illegal activities.

61. Specifically, the DIAGEO and PERNOD RICARD DEFENDANTS agreed to purchase and retain joint ownership of the SEAGRAM "umbrella operation" located in Colombia, a corporation called ATLAS COMERCIAL SEAGRAM DE COLOMBIA, S.A.. Under the April 2003 SOFIA Agreement, the DIAGEO and PERNOD RICARD DEFENDANTS agreed that PERNOD RICARD would manage ATLAS COMERCIAL SEAGRAM DE COLOMBIA, S.A..

62. Additionally, under the Framework and

Implementation Agreement and the subsequent SOFIA, DIAGEO acquired DEFENDANT SEAGRAM EXPORT SALES CO., in order to further facilitate and carry out their illegal scheme.

63. All acts attributable to SEAGRAM entities are attributable to the SEAGRAM successor entities. As outlined above, the DIAGEO DEFENDANTS and the PERNOD RICARD DEFENDANTS have purchased substantial SEAGRAM assets and are SEAGRAM SUCESSOR ENTITIES. Liability assessed to any SEAGRAM entities that are now owned by the any of the DEFENDANTS, jointly or individually, also now lies with the respective SEAGRAM SUCESSOR ENTITIES.

64. Under the terms of the April 2003 SOFIA AGREEMENT, the SEAGRAM SUCESSOR ENTITIES agreed that any liabilities arising out of the claims made against SEAGRAM entities for involvement in illegal activities in Colombia would be jointly borne by the SEAGRAM SUCESSOR ENTITIES. Furthermore, the SEAGRAM SUCESSOR ENTITIES further agreed the claims would be "jointly managed".

65. The design and purpose of the common "management" of this SEAGRAM liability and of the joint ownership of the SEAGRAM entities was and is to further the money-laundering scheme put into place by the DIAGEO and PERNOD RICARD

DEFENDANTS. A secondary design and purpose was and is to further facilitate the cover-up of the fraudulent and money-laundering activities of the DIAGEO and PERNOD RICARD DEFENDANTS.

66. Since December 2001 when DEFENDANT PERNOD-RICARD and DEFENDANT DIAGEO purchased the SEAGRAM entities from VIVENDI UNIVERSAL, DEFENDANT PERNOD-RICARD and DEFENDANT DIAGEO have operated the illegal distribution and money-laundering scheme which had previously been operated by SEAGRAM and later by VIVENDI UNIVERSAL during the time period in which it owned the SEAGRAM entities. Said illegal activities continue through 2004.

4. Pernod Ricard's Direct Involvement in Money Laundering and Organized Crime

67. The PERNOD RICHARD DEFENDANTS sell various brands of liquor into illegal channels in Colombia including Dubonnet, Glenlivet, Havana Club, and others. Also, as indicated above, the PERNOD RICARD DEFENDANTS purchased substantial SEAGRAM DEFENDANT assets, and multiple money-laundering entities formerly belonging to SEAGRAM.

68. Certain of the traditional Seagram brands, such

as Chivas Regal, "Something Special" and Passport are some of the most popular brands of liquor in Colombia and are illegally sold in Colombia in huge volumes. When the PERNOD RICARD DEFENDANTS purchased these brands they were well aware that these products were being used in a money laundering conspiracy. The PERNOD RICARD DEFENDANTS purchased these brands in part because of their high sales and high value in illegal markets in Colombia and elsewhere.

69. After acquiring the aforesaid Seagram brands, the PERNOD RICARD DEFENDANTS continued to sell these products to known criminals and continued to knowingly receive criminal proceeds, including narcotics proceeds in exchange for these products.

70. The PERNOD RICARD DEFENDANTS continued to sell Seagram brand products to companies owned by known criminals and narcotics traffickers including Alfonso Fuminaya, Randolph Habibe, David Cybul, and Jose Lopesierra. Sales to such companies have occurred as recently as September 2004. In addition, the PERNOD RICARD DEFENDANTS, through their distributors maintain direct business relationships with individuals such as are described below.

71. The PERNOD RICARD DEFENDANTS currently have a

very dangerous criminal customer who is engaged in weapons trafficking, narcotics trafficking and trafficking in human cargo. He conducts this business through the use of fast boats by which he transports all the foregoing throughout the Caribbean and into and out of Colombia and Venezuela. He uses these same boats to transport liquor products sold to him by the DEFENDANTS through their distributors, with most of said liquor then being sold illegally into Colombia. The PERNOD RICARD DEFENDANTS and their co-conspirators consider this individual to be a very good customer because he requires no credit terms and always pays in U.S. dollars which he derives from his weapons trafficking and narcotics trafficking activities. The PERNOD RICARD DEFENDANTS, through their distributors sell liquor products to this individual on a regular basis. Such sales have occurred in the summer of 2004.

72. In addition to activities related to Seagram products, the PERNOD RICARD DEFENDANTS themselves receive criminal proceeds from various money-laundering organizations as described generally above.

Examples of the large volumes of monies being funneled to PERNOD RICARD through various cutout companies include:

- (a) On July 30th, 1992, Runam Holdings, Ltd.

transferred US\$60,095.88 of criminal proceeds to the PERNOD RICARD DEFENDANTS from its account number xxxxxxxxxxxx0795 at Interbank, located in Oranjestad, Aruba, in payment for PERNOD RICARD DEFENDANT'S (RICARD) liquor products;

(b) On December 27th, 1994, Mansur Trading Freezone, N.V. transferred US\$514,230.95 of criminal proceeds to WILLAIM LONGMORE & SONS, an entity now owned by PERNOD RICARD, from its account number xxxxxxxxxxxx8921 at Interbank, located in Oranjestad, Aruba, in payment for liquor products;

73. The PERNOD RICARD DEFENDANTS have acquired money-laundering entities to further facilitate their money-laundering activities and enhance their money-laundering profits. These acquisitions were specifically designed to enhance the PERNOD RICARD DEFENDANT'S position in the illegal liquor market in Colombia. Examples of these acquisitions of money-laundering entities include, but are not limited to:

(a) Chivas Brothers. (producers of Chivas Regal scotch whiskey) (December, 2001)

(b) Havana Club (producers of Cuban rum) (April, 1993)

74. In each instance, the entity which was acquired by the PERNOD RICARD DEFENDANTS was purchased, in part, because

it produced a product which was already being actively sold in the illegal markets in Colombia. As such, the purchase of each entity was either the acquisition of an ongoing money-laundering enterprise or the acquisition of an entity for the purpose of adding it to the PERNOD RICARD DEFENDANTS' ongoing money-laundering enterprise.

75. The aforesaid conduct continues unchecked to the present date. As recently as August 2004, the DEFENDANTS have sold their liquor products to criminal organizations in Maicao, Colombia, with the knowledge that they were receiving criminal proceeds in payment for these products and thereby committing money laundering.

76. Known criminal customers of the PERNOD RICARD DEFENDANTS include Samuel "Santa" Lopesierra, Alfonso Fuminaya, Randolph Habibe, David Cybul, and Jose Lopesierra.

IX. ADDITIONAL ALLEGATIONS AS TO ALL DEFENDANTS

1. *Travel and Entertainment by Defendants' Employees*

77. To advance the money-laundering schemes set forth above, the employees, executives, and managers of the DEFENDANTS often traveled extensively, both to supervise the schemes and

also to entertain their criminal customers. For example, DEFENDANT DIAGEO/UDV executives such as Anthony Greener, William Bullard, José Colombo and Timothy Finch-Lee traveled to South America to meet with, entertain, and maintain relations with DEFENDANTS' criminal customers. DEFENDANTS' executives and managers who engaged in such travel and entertainment often received large travel and entertainment budgets from the DEFENDANTS. Some DEFENDANTS' executives received substantial travel and entertainment budgets for the purpose of advancing the DEFENDANTS' illicit activities in this fashion. Such travel, entertainment, and meetings occurred throughout the 1990s and thereafter.

2. The DEFENDANTS' Purchase of Colombian Importers

78. The DEFENDANTS purchased importation and distribution entities in Colombia in order to further their fraudulent scheme to launder narcotics proceeds and to carry out other acts central to their scheme. The DEFENDANTS, having competed unfairly and illegally for some time with the legitimate Colombian importers/distributors, first brought these legitimate importers/distributors to the brink of financial

insolvency by selling liquor products to them for 'legitimate' importation into Colombia while at the same time dumping large volumes of product on the illegal market. Examples of such distributors include, but are not limited to Colombian companies known as Rueda, Atlas Comercial, Puyana & Cia., and Fonandes. These legitimate importer/distributors were forced to deal with all the costs of representing a brand in the local Colombian market such as import duties, taxes, labor costs, advertising costs and other fixed costs attendant to a legitimate importation/distribution entity, while their suppliers, the DEFENDANTS were at the same time providing the same product to the illegal criminal narcotics money laundering organization with the full knowledge that the product would cannibalize the legitimate importer/distributor's sales. After driving the Colombian importer/distributor to bankruptcy, the DEFENDANTS then purchased the importing/distributing entities. After this purchase, the DEFENDANTS renamed the entities (for example, "Rueda" became "UDV/RUEDA" and "Atlas Comercial" became "Atlas Comercial Seagram de Colombia"), but did not channel their sales to Colombia through these now wholly owned "legitimate" channels, but rather continued to use them as "umbrella operations" to cover their illegal sales to the criminal

narcotics money laundering organizations, and to continue reaping the benefits of the money-laundering cycle. Through the umbrella operation, the DEFENDANTS are able to carry out vital activities, such as direct communication with the PLAINTIFFS, in order to continue to deceive and misinform the PLAINTIFFS as to the causes of and persons responsible for the massive illegal distribution of liquor products.

3. *External Affairs*

79. The DEFENDANTS created an extensive "External Affairs" component to their business strategy to make use of the criminal money-laundering organizations for the distribution of their products into Colombia. This "External Affairs" section was and is, directly and through various business associations, charged with lobbying officials of THE REPUBLIC OF COLOMBIA and of the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA, in order to continue to deceive them as to the causes of and persons responsible for the massive illegal distribution of liquor products, to distract and dissuade them from any lines of investigation that might uncover the massive money-laundering scheme, and to curry favor for proposals in favor of the

DEFENDANTS, stating that other factors were the cause of the illegal trade in the DEFENDANTS' liquor products. The "External Affairs" representatives met with representatives of the PLAINTIFFS on many occasions and continually lied to the PLAINTIFFS concerning the nature, sources and causes of the illegal trade in their products. At no time did the "External Affairs" representatives of the DEFENDANTS disclose to Colombian government officials the true cause and source of the illegal trade in the DEFENDANTS' liquor products, to wit, the willful participation by the DEFENDANTS in the criminal narcotics money laundering enterprise.

80. To further facilitate and promote the use of the criminal proceeds exchange for liquor products, the DEFENDANTS would have specialized sales personnel located in THE REPUBLIC OF COLOMBIA whose function was to promote the money laundering exchange. An example of these persons is JOE DIAZ, who worked the Northeastern Atlantic coast of the REPUBLIC OF COLOMBIA for the DIAGEO/UDV DEFENDANTS. Mr. Diaz would host lavish parties and other events, including the sponsorship of private and public cultural events and holidays, in an effort to lobby Colombian governmental authorities and to promote the use of the DIAGEO/UDV DEFENDANTS' products in the illegal money-laundering

exchange. The hiring and maintenance of Mr. Diaz and other promoters like him were decisions made by the DIAGEO/UDV DEFENDANTS. The salaries and expenses of the in-market promoters like Mr. Diaz were paid for by the DIAGEO/UDV DEFENDANTS through their distributor in Aruba. Even though Mr. DIAZ was a direct employee of the DIAGEO/UDV DEFENDANTS, the DIAGEO/UDV DEFENDANTS did not want to be associated with him and those like him. As such, they created mechanisms by which the Aruban distributors (in this example, ROMAR), would make all payments to Mr. Diaz, and the DEFENDANTS would reimburse the Aruban distributor for these payments. In this way, the DEFENDANTS could maintain direct control over their in-market promoter, while at the same time maintaining some distance from his activities.

4. Defendants' Responsibility for their Agents, Employees, and

81. The acts and omissions of the individuals employed by the DEFENDANTS are imputed to the DEFENDANTS under the doctrines of vicarious liability and respondeat superior. The DEFENDANTS actually benefited from the performance of predicate acts of racketeering through increased sales, profits, name-brand recognition, and market share.

82. The DEFENDANTS and their employees were central figures and aggressors in the fraudulent scheme. DEFENDANT personnel, including those named above, performed their fraudulent and illegal acts on behalf of the DEFENDANTS within the scope and course of their employment with the DEFENDANTS.

83. The DEFENDANTS are liable under principles of agency. Each of the DEFENDANTS is responsible for the conduct of its supervisory employees who violated the law and caused the DEFENDANTS to enter into and act to further money-laundering conspiracies.

5. Defendants' Use of Wires and Mails

84. During all relevant times, the DEFENDANTS communicated with each other and with their joint and individual co-conspirators on virtually a daily basis, by means of interstate and international wires, as a means of obtaining orders for liquor products, arranging for sale and shipment of liquor products, arranging for and receiving payment for the liquor products in question and accounting for the payments for the products. Under principles of conspiracy and concert of action, the DEFENDANTS are jointly and severally liable for the

actions of their co-conspirators in the furtherance of the money-laundering scheme.

85. The DEFENDANTS and their co-conspirators utilized the United States and international mail and wires, and other means of communications, to prepare and transmit documents that intentionally misstated the purchases of the liquor products in question so as to mislead the authorities within the United States and THE REPUBLIC OF COLOMBIA in regard to the nature and objectives of the money-laundering scheme. THE REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA, reasonably relied on said misrepresentations of fact were damaged as a result, and continue to be damaged by such reliance.

86. Because the money-laundering conspiracy is a multi-million dollar per year operation and is continuing on a daily basis, it is impractical and impossible, in advance of discovery, to delineate each and every fraudulent communication in what is a pervasive and ongoing use of the mails and wires in furtherance of the money-laundering activities. By conducting some of their activities in countries known for bank secrecy, the DEFENDANTS have taken affirmative steps to prevent the

victims of their fraud and illicit conduct from discovering the exact details of the vast number of wire and mail communications that furthered the money-laundering schemes, including orders for liquor products, and repatriation of the proceeds of the money-laundering schemes to the United States.

87. In addition to using the mail and wire communications themselves to advance the money-laundering schemes, the DEFENDANTS, caused the use of the U.S. mails and wires in furtherance of the money-laundering schemes by acting with knowledge that the use of the U.S. mails and/or wires would follow in the ordinary course of business and/or could be reasonably foreseen as a result of their activities. The mailing or use of wire communications was for the purpose of executing the scheme, to wit, the money-laundering activities. These mail and wire transmissions furthered the money-laundering schemes and were essential to the success of those schemes, since such communications were necessary for the co-conspirators, who were separated by great distances and national borders to effectuate their common goals within the money-laundering enterprises.

88. At all relevant times the DEFENDANTS devised or intended to devise, a scheme or artifice to defraud PLAINTIFFS

and used, or caused the use of, mail and wire communications in interstate and foreign commerce to further the scheme. The scheme to defraud and cheat was inconsistent with moral uprightness, fundamental honesty, fair play, and right dealing in the general and business life of members of society. In the execution of or attempt to execute this scheme, the DEFENDANTS used the United States interstate and foreign mail in violation of 18 U.S.C., Sections 2 and 1341, and interstate and foreign wires, radio, and television, in violation of 18 U.S.C., Sections 2 and 1343.

89. The DEFENDANTS were conspirators and direct participants in the affairs of the illegal distribution enterprise, and each participant in the conspiracy is responsible for the actions of the others in pursuit of the illegal distribution scheme. Acting for the benefit of the DEFENDANTS, and with the knowledge and authorization of corporate executives of the DEFENDANTS, the DEFENDANTS, with and through their conspirators, agents, and employees, carried out the foregoing activities to facilitate the illegal distribution scheme.

90. The DEFENDANTS entered into an understanding or agreement, express or tacit, with its distributors, customers,

agents, consultants, and other co-conspirators, to participate in a common scheme, plan or design to commit tortious acts and thereby illegally distribute liquor products into THE REPUBLIC OF COLOMBIA. In pursuance of the agreement, the DEFENDANTS and their distributors, customers, agents, consultants, and other co-conspirators acted tortiously by, among other things, committing the aforesaid acts constituting fraud, negligent misrepresentation, unjust enrichment, public nuisance, and negligence, thereby causing harm to PLAINTIFFS. The DEFENDANTS, through joint action with their co-conspirators, acted tortiously, recklessly, unlawfully, and negligently, to the detriment of PLAINTIFFS. By means of the aforesaid concerted action, the DEFENDANTS and their co-conspirators are jointly and severally liable for the torts and other wrongful conduct alleged herein.

91. All of the predicate acts set forth herein share the same purpose and the same victims, namely, THE REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA.

X. RELATIONSHIP BETWEEN NARCOTICS TRAFFICKING AND TERRORISM IN COLOMBIA

92. There is a direct relationship between Colombian narcotics trafficking and terrorism. In fact, several significant Colombian narcotics-trafficking and narcotics-related criminal organizations have been included in the list of Designated Foreign Terrorist Organizations by the United States Department of State.

93. As of August 12th, 2004, the following narcotics organizations were also listed as Designated Foreign Terrorist Organizations:

(a) National Liberation Army (*Ejército de Liberación Nacional*, ELN)

(b) Revolutionary Armed Forces of Colombia (*Fuerzas Armadas Revolucionarias de Colombia*, FARC)

(c) United Self-Defense Forces of Colombia (*Autodefensas Unidas de Colombia*, AUC).

94. The United States Department of State's report on international terrorism lists all of the above entities as involved in narcotics, as producing entities or otherwise. All of these Designated Foreign Terrorist Organizations use narcotics trafficking as a means to finance their activities. For example, the leader of the AUC, Carlos Castaño, has stated that over 70% of the AUC's financing comes from narcotics

trafficking.

95. As relates to the DEFENDANTS, these narcotics trafficking entities provide a significant portion of the dollars and funding to the Black Market Peso Exchange mechanism that drives the money-laundering enterprise at the center of the DEFENDANTS' scheme to illegally distribute their products and earn these narcotics proceeds.

96. The DEFENDANTS and their co-conspirators engage in dealings with these Designated Foreign Terrorist Organizations and/or their representatives in order to arrange for the laundering of the narcotics and terrorist proceeds through the Black Market Peso exchange.

XI. IMPACT OF THE MONEY-LAUNDERING SCHEME ON THE UNITED STATES, THE REPUBLIC OF COLOMBIA, AND THE STATE OF NEW YORK.

97. International money laundering has become a threat to United States security, as well as to the security of THE REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA. As Asa Hutchinson, Director of the United States Drug Enforcement Administration, has stated: "The illegal drug production that undermines America's culture also funds terror and erodes democracies across the globe. They all represent a

clear and present danger to our national security." Since the money-laundering scheme that is the subject matter of this complaint is a fundamental part of the drug-production cycle, these money-laundering activities equally represent a threat to U.S. national security as well as the security of THE REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA.

98. Money laundering through the purchase and sale of liquor products has become a primary means by which terrorists finance their illegal activities. The DEFENDANTS knowingly or negligently support the activities of terrorists when they allow terrorist groups to launder narcotics proceeds in THE REPUBLIC OF COLOMBIA through the purchase of liquor products.

99. A large percentage of the conduct of the DEFENDANTS that is material to this case is conducted by the DEFENDANTS in the United States. There is a substantial effect experienced in the United States and in this district as a result of the schemes that are the subject matter of this complaint because:

(a) The DEFENDANTS receive, and have received, the profits and proceeds of said schemes in the United States. Such funds have been repatriated to this country through money laundering and other acts of concealment, all of which threaten

the integrity of the U.S. financial system.

(b) A significant portion of the money-laundering activities described in relation to this scheme occurred in Queens, New York, and tens of millions of dollars of laundered criminal proceeds that constitute the subject matter of this complaint were laundered in Queens, New York.

(c) The money-laundering and racketeering scheme is used to aid and abet the conduct of narcotics traffickers throughout the United States, including but not limited to the State of New York. The U.S. Treasury Department has described the Black Market Peso Exchange as perhaps the most dangerous money-laundering scheme ever encountered, and it is a matter of public record that the proceeds of narcotics transactions on the streets of the State of New York are laundered through the purchase of liquor, which is in turn sold illegally into Colombia.

(d) The United States and THE REPUBLIC OF COLOMBIA have recognized in international conventions their mutual interest in ending transnational money-laundering schemes. The DEFENDANTS' conduct contravenes the vital public interest in stemming such illicit conduct.

(e) The State of New York, and its international

business facilities, have been used by the DEFENDANTS as a springboard for transnational criminal activities.

(f) Large volumes of false documents have been filed with the United States Customs Service and the Bureau of Alcohol, Tobacco and Firearms by the DEFENDANTS and/or their co-conspirators. The purpose of these filings was to deceive the United States Customs Service and the Bureau of Alcohol, Tobacco and Firearms and allow the criminal activity to continue.

(g) The money-laundering scheme is advanced by numerous acts of wire fraud and mail fraud, many of which occurred in the United States and the State of New York. The United States has an interest in preventing such schemes from being carried out through the U.S. telecommunications system and postal system.

100. All the aforesaid activities occurred with both the knowledge and at the direction of persons at both middle management and high-level management positions within the DEFENDANTS' corporations. Many of the liquor products utilized in the money-laundering schemes are shipped from the United States. Many of the activities of the DEFENDANTS that are the subject matter of this complaint, including management decisions and direction of the schemes, are conducted by the DEFENDANTS in

the United States and, more particularly, from the DEFENDANTS' offices in the State and City of New York.

XII. MONEY LAUNDERING THROUGH THE EASTERN DISTRICT OF NEW YORK.

101. The "smurf" money-laundering system employed to a great extent by the DEFENDANTS and their narcotics money-laundering co-conspirators, including, but not limited to the ROMAR and MANSUR organizations, greatly affects financial activities in this State and particularly Long Island. Due to demographic reasons, the vast majority of "smurf" accounts and third-party checks come from 2 principal sources: New York (specifically Long Island), and Miami. This creates additional criminal money-laundering activity within this state (and specifically Long Island) as bulk cash is transported into the area by criminal organizations for "processing" by the smurf organizations. This misuse of the financial institutions in Long Island, Miami and elsewhere is pervasive and greatly affects the areas in which the activity occurs. Examples of accounts used in the DEFENDANTS' money-laundering scheme for the creation of third-party checks on New York financial institutions include, but are not limited to:

(a) Account # xxxxxxxx1537 in the name of "Adriana Uribe" at CHEMICAL BANK, located at 196-03 Northern Blvd., in Flushing, New York 11354;

(b) Account # xxxxxxxxxxxx4265 in the name of "Alfred Lopez" at MANUFACTURERS HANOVER TRUST COMPANY, located at 118-34 Queens Boulevard in Forest Hills, New York 11375;

(c) Account # xxxxxxxxxxxx3865 in the name of "Olga L. Goez" at MANUFACTURERS HANOVER TRUST COMPANY, located at 37-29 Junction Boulevard in Corona, New York 11368;

(d) Account # xxxxxxxxxxxx5365 in the name of "Blanca R. Velasquez" at MANUFACTURERS HANOVER TRUST COMPANY, located at 37-29 Junction Boulevard in Corona, New York 11368;

(e) Account # xxxxxxxxxxxx1465 in the name of "Hector Pinedo" at MANUFACTURERS HANOVER TRUST COMPANY, located at 47-11 Queens Boulevard in Long Island City, New York 11104;

(f) Account # xxxxxxxxxxxx5465 in the name of "Juan Guillermo Posada" at MANUFACTURERS HANOVER TRUST COMPANY, located at 37-29 Junction Boulevard in Corona, New York 11368;

(g) Account # xxxxxxxxxxxx9965 in the name of 'Luz M. Picon' at MANUFACTURERS HANOVER TRUST COMPANY, located at 77-22 21st Avenue in East Elmhurst, New York 11370;

(h) Account # xxxxxxxxxxxx2865 in the name of

"Jose M. Ramos" at MANUFACTURERS HANOVER TRUST COMPANY, located at 43-33 91st Place in Elmhurst, New York 11373;

(i) Account # xxxxxxxxxxxx0365 in the name of "Orlando Rojas" at MANUFACTURERS HANOVER TRUST COMPANY, located at 47-11 Queens Boulevard in Long Island City, New York 11104;

(j) Account # xxxxxxxxxxxx2065 in the name of "Jorge Giraldo" at MANUFACTURERS HANOVER TRUST COMPANY, located at 37-29 Junction Boulevard in Corona, New York 11364;

(k) Account # xxxx9306 in the name of "Hector G. Pinedo" at CITIBANK, located at 169-21 37th Avenue in Jamaica, New York 11434;

(l) Account # xxxx3827 in the name of "Bladen A. Rizo" at CITIBANK, located at 87-11 Queens Blvd., in Elmhurst, New York 11373;

(m) Account # xxxx1093 in the name of "Luis C. Gomez" at CITIBANK, located at 69-80 188th Street in Fresh Meadows, New York 11365;

(n) Account # xxxx1793 in the name of "Fausto Castellanos" at CITIBANK, located at Roosevelt Avenue at 81st Street, in Jackson Heights, New York 11372;

(o) Account # xxxx9716 in the name of "Ivan Arbelaez" at CITIBANK, located at 95-46 Roosevelt Avenue in

Jackson Heights, New York 11372;

(p) Account # xxxx9376 in the name of "Pinelli's Import and Export Sortswear" at CITIBANK, located at 102-29 Queens Blvd., in Forest Hills, New York 11375;

(q) Account # xxxx2897 in the name of "Alfred Lopez" at CITIBANK, located at 156-19 Crossbay Blvd., in Howard Beach, New York 11414;

(r) Account # xxxxxxxxxxxx3252 in the name of "Martha Zuluaga" at LONG ISLAND SAVINGS BANK, located at 201 Old Country Road in Melville, New York 11747;

(s) Account # xxxxxxxx3993 in the name of "Hernan Perez" at LONG ISLAND SAVINGS BANK, located at 70-09 Parsons Blvd., in Flushing, New York 11365;

(t) Account # xxxxxxxxxxxx3336 in the name of "Jorge Ivan Giraldo" at LONG ISLAND SAVINGS BANK, located at 201 Old Country Road in Melville, New York 11747;

(u) Account # xxxxxxxx1884 in the name of "Noema Perez" at LONG ISLAND SAVINGS BANK, located at 17-27 Queens Blvd., in Rego Park, New York 11374;

(v) Account # xxxxxxxxxxxx9278 in the name of "Gustavo de Jesus Arbelaez" at LONG ISLAND SAVINGS BANK, located at 136-21 Roosevelt Avenue, in Flushing, New York 11354;

(w) Account # xxxxxxxxxxxx8148 in the name of "Gilberto Lopez" at LONG ISLAND SAVINGS BANK, located at 201 Old Country Road in Melville, New York 11747;

(x) Account # xxxxxxx1933 in the name of "Fernando Rizo" at LONG ISLAND SAVINGS BANK, located at 201 Old Country Road in Melville, New York 11747;

(y) Account # xxxxx5198 in the name of "Carlos A. Calle" at LONG ISLAND SAVINGS BANK, located at 17-27 Queens Blvd., in Rego Park, New York 11374;

(z) Account # xxxxxxxxxxxx0265 in the name of "Juan R. Suarez" at LONG ISLAND SAVINGS BANK, located at 201 Old Country Road in Melville, New York 11747;

(aa) Account # xxxxxxxxxxxx0429 in the name of "Jorge M. Bedoya" at LONG ISLAND SAVINGS BANK, located at 136-21 Roosevelt Ave., in Flushing, New York 11364;

(bb) Account # xxxxxxxxxxxx0265 in the name of "Juan R. Suarez" at LONG ISLAND SAVINGS BANK, located at 201 Old Country Road in Melville, New York 11747;

(cc) Account # xxxxxxxxxxxx2223 in the name of "Blanca A. Restrepo" at LONG ISLAND SAVINGS BANK, located at 201 Old Country Road in Melville, New York 11747;

(dd) Account # xxxxxxx1644 in the name of "Carlos

Rubiano" at LONG ISLAND SAVINGS BANK, located at 201 Old Country Road in Melville, New York 11747;

(ee) Account # xxxxxxxx1620 in the name of "Atala Ochoa Torrenegra" at LONG ISLAND SAVINGS BANK, located at 201 Old Country Road in Melville, New York 11747;

(ff) Account # xxxxxxxxx7749 in the name of "Jorge F. Camacho" at CHASE MANHATTAN BANK, located at 81-35 Lefferts Blvd., in Kew Gardens, New York 11415;

(gg) Account # xxxxxxxxxxx4006 in the name of "Luz M. Picon" at CHASE MANHATTAN BANK, located at 22-45 31st Street in Astoria, New York 11105;

(hh) Account # xxxxxxxxxxx6873 in the name of "Hernan Pinedo W" at CHASE MANHATTAN BANK, located at 104-17 Queens Blvd., in Forest Hills, New York 11375;

(ii) Account # xxxxxxxxxxx5447 in the name of "Fausto Castellano" at CHASE MANHATTAN BANK, located at 37-94 103rd Street in Corona, New York 11368;

(jj) Account # xxxxxxxxxxx1981 in the name of "Pinellis Import & Export Sportswear" at CHASE MANHATTAN BANK, located at 104-17 Queens Blvd., in Forest Hills, New York 11375;

(kk) Account # xxxxxxxxxxx3045 in the name of "Gabriel Lozano" at CHASE MANHATTAN BANK, located at 104-17

Queens Blvd., in Forest Hills, New York 11375;

(11) Account # xxxxxxxx8226 in the name of
"Alcira Perez Perez" at CHASE MANHATTAN BANK, located at 104-17
Queens Blvd., in Forest Hills, New York 11375;

(mm) Account # xxxxxxxxxx8757 in the name of
"Hector Pinedo" at CHASE MANHATTAN BANK, located at 104-17
Queens Blvd., in Forest Hills, New York 11375;

(nn) Account # xxxxxxxxx2351 in the name of
"Victoria E. Velasquez" at CHASE MANHATTAN BANK, located at 163-
20 Northern Blvd., in Flushing, New York 11358;

(oo) Account # xxxxxxxxx0851 in the name of
"Fernando Rizo" at CHASE MANHATTAN BANK, located at 37-67 75th
Street, in Jackson Heights, New York 11372;

(pp) Account # xxxxxxxxx9310 in the name of
"Marco Sanchez" at CHASE MANHATTAN BANK, located at 260
Broadway, in Brooklyn, New York 11211;

(qq) Account # xxxxxxxxx7475 in the name of
"Alcides Pinto Wilches" at CHASE MANHATTAN BANK, located at 104-
17 Queens Blvd., in Forest Hills, New York 11375;

(rr) Account # xxxxxxxxx8234 in the name of
"Nelsy Perez Perez" at CHASE MANHATTAN BANK, located at 104-17
Queens Blvd., in Forest Hills, New York 11375;

(ss) Account # xxxxxxxx9935 in the name of "Maria Bolivar" at CHASE MANHATTAN BANK, located at 104-17 Queens Blvd., in Forest Hills, New York 11375;

(tt) Account # xxxxxxxx9547 in the name of "Moises S. Gomez Navarro" at CHASE MANHATTAN BANK, located at 104-17 Queens Blvd., in Forest Hills, New York 11375;

(uu) Account # xxxxxxxx9372 in the name of "Marta Ligia Fernandez" at CHASE MANHATTAN BANK, located at 104-17 Queens Blvd., in Forest Hills, New York 11375;

(vv) Account # xxxxxx9235 in the name of "Hector G. Pinedo" at CHEMICAL BANK, located at 165-40 Baisley Blvd., in Jamaica, New York 11434;

(ww) Account # xxxxxx9491 in the name of "Gustavo Arbelaez" at CHEMICAL BANK, located at 93-01 Northern Blvd., in Jackson Heights, New York 11372;

(xx) Account # xxxxxx3640 in the name of "Emilce Berrios" at CHEMICAL BANK, located at 136-37 Roosevelt Avenue, in Flushing, New York 11354;

(yy) Account # xxxxxx7896 in the name of "Jorge B. Bedoya" at CHEMICAL BANK, located at 136-37 Roosevelt Avenue, in Flushing, New York 11354;

(zz) Account # xxxxxx5436 in the name of "Martha

Estrada" at CHEMICAL BANK, located at 136-37 Roosevelt Avenue, in Flushing, New York 11354;

(aaa) Account # xxxxxxx8610 in the name of "Gabriel Lozano" at CHEMICAL BANK, located at 93-01 Sutphin Blvd., in Jamaica, New York 11435;

(bbb) Account # xxxxxxx8811 in the name of "Blanca Montoya" at CHEMICAL BANK, located at 1624 Brentwood Road, in Brentwood, New York 11717;

(ccc) Account # xxxxxxx4734 in the name of "Luis Gaviria" at CHEMICAL BANK, located at 31-05 30th Ave., in Long Island City, New York 11102;

(ddd) Account # xxxxxxx3175 in the name of "Pinell's Import & Export" at CHEMICAL BANK, located at 165-40 Baisley Blvd., in Jamaica, New York 11434;

(eee) Account # xxxxxxx7346 in the name of "Carlos Arbelaez" at CHEMICAL BANK, located at 81-19 Roosevelt Ave., in Jackson Heights, New York 11354;

(fff) Account # xxxxxxx6870 in the name of "Hernan J. Perez" at CHEMICAL BANK, located at 71-41 Main Street, in Flushing, New York 11367;

(ggg) Account # xxxxxxx3145 in the name of "Luz Amparo Rodriguez" at CHEMICAL BANK, located at 93-01 Northern

Blvd., in Jackson Heights, New York 11372;

(hhh) Account # xxxxxxx9221 in the name of "Alfred Lopez" at CHEMICAL BANK, located at 93-01 Sutphin Blvd., in Jamaica, New York 11435;

(iii) Account # xxxxxxx0472 in the name of "Jose Max Ramos" at CHEMICAL BANK, located at 81-19 Roosevelt Ave., in Jackson Heights, New York 11354; and

(jjj) Account # xxxxxxxxx3058 in the name of "Bladen A. Rizo" at NATIONAL WESTMINSTER BANK USA, located at 2900 Queens Plaza East, in Long Island City, New York 11101.

XIII. CONTINUING DAMAGE TO THE PLAINTIFFS AND COMPELLING NEED FOR INJUNCTIVE AND EQUITABLE RELIEF

102. THE REPUBLIC OF COLOMBIA and THE DEPARTMENTS OF THE REPUBLIC OF COLOMBIA have the right and duty to make claims for, and to seek injunctive relief against, the money-laundering conspiracy that is the subject matter of this complaint.

103. As a result of the DEFENDANTS' wrongful activities, THE REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA have been injured in their businesses and deprived of money and property, and the DEFENDANTS have secured vast profits and proceeds from their illegal schemes. The

injuries to the PLAINTIFFS include, but are not limited to, the following:

(a) *Lost Sales Due to Money Laundering Scheme.*

Under the laws of the REPUBLIC OF COLOMBIA, the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA manufacture and distribute liquor products. As such, they are direct competitors in the market for liquor products in Colombia, and in other markets in which they compete, including but not limited to, the United States. The DEFENDANTS' money-laundering scheme described in this Complaint gives the DEFENDANTS an unfair and illegal competitive advantage over the PLAINTIFFS and causes a loss of business and property to the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA because sales that would have been made by the PLAINTIFFS' legitimate business operations are lost to the DEFENDANTS' money-laundering enterprise.

(b) *Lost Sales Due to Illegal Distribution*

Scheme. In that the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA are direct competitors to the DEFENDANTS, every bottle of illegally distributed liquor product unfairly and illegally supplants sales of PLAINTIFFS' liquor products. Furthermore, the products distributed illegally by the DEFENDANTS via their criminal scheme gain an unfair and illegal competitive advantage over the

PLAINTIFFS, whose products do comply fully with Colombian labeling requirements. In Colombia, alcohol products must bear a warning stating that "consumption of alcohol may be damaging to the consumer's health." This label must be in Spanish, and be of certain dimensions and placement on the product. Additionally, imported liquor must bear a statement of the name and local address of the importer. Both the health warning and importer address requirements are mandated by Colombian law, and follow a public policy tendency towards these matters espoused by many nations, including the United States. The liquor products illegally distributed by the DEFENDANTS do not comply with these requirements. This is of benefit to the DEFENDANTS because this non-compliance gives them a competitive advantage over their competitors in the Colombian market, including the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA. In addition to the unfair and illegal cost savings related to the labeling requirements, the fact that the bottles of illegally distributed liquor bear no health warning, no indication of a local importer, and are labeled exclusively in the English language, is a significant selling point for the illegally distributed product. This translates into an unfair competitive advantage over their direct competitors, THE DEPARTMENTS OF THE REPUBLIC

OF COLOMBIA. This is a specifically intended and additional benefit to the DEFENDANTS of their illegal and criminal distribution scheme, and this causes additional losses to the PLAINTIFFS in that they lose sales to such improperly labeled and illegally distributed liquor product.

(c) *Reduced Value of Sales.* In addition to lost sales, the DEFENDANTS' money-laundering scheme described in this Complaint gives the DEFENDANTS an unfair and illegal competitive advantage over the PLAINTIFFS and causes a loss of business and property to the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA because the DEFENDANTS' use of laundered narcotics and other criminal proceeds and illegal distribution scheme allows the DEFENDANTS to manipulate the prices of their illegally distributed product which is intended to and in fact does have the effect of limiting the price at which the PLAINTIFFS can sell their liquor products. Specifically, this loss is the differential between the greater price at which the PLAINTIFFS could sell their liquor products (with no loss in sales volume) and the reduced price at which they are forced to sell their products by the DEFENDANTS' narcotics and other criminal money-laundering scheme. Simply put, but for the DEFENDANTS' narcotics and other criminal money laundering and illegal distribution scheme, the

PLAINTIFFS would be able to command a higher price for their products without losing any sales because of the higher price. This is an important and specifically intended effect of the DEFENDANTS' scheme.

(d) *Lost Profits from Liquor Sales by PLAINTIFFS.* In that the DEFENDANTS' illegal distribution scheme gives the DEFENDANTS an unfair and illegal competitive advantage over their direct competitors, THE DEPARTMENTS OF THE REPUBLIC OF COLOMBIA, and illegally supplants the PLAINTIFFS' liquor sales and reduces the prices at which the PLAINTIFFS can sell their products, the PLAINTIFFS make less profits from their competitive commercial activity. This in turn has a negative effect on the economic viability of the PLAINTIFFS' liquor operations, and, in fact, several DEPARTMENTS OF THE REPUBLIC OF COLOMBIA have had to close down their operations, and/or cut back product lines and production facilities. Through their scheme, the DEFENDANTS have acted to unfairly and illegally stifle their competitors, THE DEPARTMENTS OF THE REPUBLIC OF COLOMBIA.

(e) *Reduction of PLAINTIFFS' Ability to Compete in the United States and Other Markets.* Due to the injury suffered by the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA, as

described in this complaint, these PLAINTIFFS suffer an additional loss in that their ability to compete within the international markets, including, but not limited to, the United States of America is reduced. The DEPARTMENTS OF THE REPUBLIC OF COLOMBIA not only produce and distribute liquor products for domestic consumption, but also for export. These export sales are significant in both volume and value. In that the DEFENDANTS' money-laundering and illegal distribution scheme injures the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA'S liquor manufacturing and distribution entities, as described in this complaint, the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA suffer from a reduced ability to compete in international markets, including, but not limited to, the United States. Through their scheme, the DEFENDANTS have acted to unfairly and illegally stifle THE DEPARTMENTS OF THE REPUBLIC OF COLOMBIA in their bid for a share of the international liquor market, including that of the United States.

(f) Right, Title, and Interest in the Proceeds of Crime. Under the laws of the REPUBLIC OF COLOMBIA, the REPUBLIC OF COLOMBIA possesses title in, and has a right to the proceeds of, any criminal activity conducted within its borders. This right is a civil right of reparation. The DEFENDANTS'

money-laundering scheme described in this Complaint causes a loss of property to THE REPUBLIC OF COLOMBIA because the laundering of the criminal proceeds, including the surreptitious removal of these proceeds from the territory of the REPUBLIC OF COLOMBIA, effectively prevents the REPUBLIC OF COLOMBIA from collecting the money and property constituting the proceeds of criminal activity, to which right or title has vested in the REPUBLIC OF COLOMBIA.

(g) *Right, Title, and Interest in the Instrumentalities of Crime.* Under the laws of the REPUBLIC OF COLOMBIA, the REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA possess title in, or have a right to, any property used in the commission of a crime conducted within their borders, including money and goods, including illegal liquor products. This right is a civil right of reparation. The DEFENDANTS' money laundering described in this Complaint causes a loss of business and property to the PLAINTIFFS because the laundering of the criminal proceeds and the illegal distribution scheme prevents the REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA from acquiring title in or rights to the instrumentalities used in the commission of criminal activity, which title or right has vested in the

REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA.

(h) *Money Laundering Facilitates Organized Crime.* The money-laundering scheme by the DEFENDANTS facilitates organized crime including narcotics trafficking, arms trafficking, and other offences. The REPUBLIC OF COLOMBIA, the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA, and their citizens are the victims of these crimes. But for the active assistance of the DEFENDANTS, money launderers and criminals could not have laundered the proceeds of their criminal activities to the detriment of the REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA.

(i) *Costs of Fighting Money Laundering.* The DEFENDANTS' money-laundering scheme and related criminal activities cause direct economic losses to REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA in the form of increased expenditures to prevent money laundering, including financial audits, anti-money-laundering protocols, and other expenditures that are necessitated by such conduct.

(j) *Law-Enforcement Costs of Fighting Underlying Criminal Activity.* THE REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA are required to expend large amounts

of money on law-enforcement activities to combat the criminal activity that is facilitated by the money laundering and related activities of the DEFENDANTS and their co-conspirators. Such criminal activity includes, but is not limited to, narcotics trafficking, weapons trafficking, terrorism, money laundering, and an array of other organized criminal activities. But for the money-laundering activities of the DEFENDANTS, the efficacy of these crimes would be diminished, the incentive to commit these crimes would be reduced, and the law enforcement and other costs incurred by the REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA would be accordingly diminished.

(k) *Damage to Property of the REPUBLIC OF COLOMBIA and DEPARTMENTS OF THE REPUBLIC OF COLOMBIA.* The means employed by the DEFENDANTS and their co-conspirators routinely result in damage to or the destruction of property of the REPUBLIC OF COLOMBIA and DEPARTMENTS OF THE REPUBLIC OF COLOMBIA such as automobiles and vessels. This damage to the PLAINTIFFS' property is foreseeable and anticipated by the DEFENDANTS and their co-conspirators, and results in additional expenditures by the REPUBLIC OF COLOMBIA and DEPARTMENTS OF THE REPUBLIC OF COLOMBIA to repair and replace the damaged property.

(l) *Damage to the Legitimate Economy.* The

DEFENDANTS' money-laundering scheme and related criminal activities cause a direct and adverse economic impact on the REPUBLIC OF COLOMBIA and DEPARTMENTS OF THE REPUBLIC OF COLOMBIA because this underground economy competes illegally against the legitimate economy of the REPUBLIC OF COLOMBIA and DEPARTMENTS OF THE REPUBLIC OF COLOMBIA, and thereby causes direct financial loss to the PLAINTIFFS.

(m) Damage to Banks Owned by the REPUBLIC OF COLOMBIA. Money laundering associated with the liquor product sales described in this Complaint has a direct and adverse impact on commercial banks owned wholly or partially by the REPUBLIC OF COLOMBIA. The underground currency exchange deprives commercial banks of transaction fees and other sources of income associated with the international and/or foreign exchange transactions that are displaced by these money-laundering activities. When commercial banks fail as a result of money laundering, the REPUBLIC OF COLOMBIA sustains direct economic losses as a result of those failures.

(n) Protection of the Colombian Peso. When the REPUBLIC OF COLOMBIA issues its currency, the Colombian peso, the REPUBLIC OF COLOMBIA acts as a guarantor of its stability. The REPUBLIC OF COLOMBIA provides value to the currency by its

willingness to maintain the strength and integrity of that currency. When the DEFENDANTS and their co-conspirators launder Colombian pesos, they convert and make illicit use of the currency and thereby erode the stability and credibility of that currency thereby depriving the PLAINTIFFS of money and property. In fact, the money-laundering scheme developed by the DEFENDANTS has created and maintains a huge and illegal black market for foreign currency (principally United States Dollars).

(o) *Distortion of the Money Supply.* The process of laundering criminal proceeds through the purchase and sale of liquor products involves the unrecorded and irregular physical removal of huge amounts of local currency from the territory of the REPUBLIC OF COLOMBIA. The money-laundering activities of the DEFENDANTS, when they involve an unrecorded and irregular removal of huge amounts of Colombian pesos from the country, act to affect and distort the supply of money in the REPUBLIC OF COLOMBIA. This distortion directly and adversely affects the official calculations of the money supply performed and maintained by the REPUBLIC OF COLOMBIA, thereby causing additional expenditures of funds by the REPUBLIC OF COLOMBIA to detect and compensate for the huge unrecorded and irregular physical removals of Colombian pesos from the country, depriving

the REPUBLIC OF COLOMBIA of money and property.

(p) *Balance of Payments.* The process of laundering criminal proceeds through the purchase and sale of U.S.-made liquor products involves the illegal conversion of Colombian pesos into U.S. dollars outside of the facilities provided by the REPUBLIC OF COLOMBIA for this exchange. The money-laundering activities of the DEFENDANTS, when they involve an unrecorded and irregular conversion of Colombian pesos into United States dollars, distort the official balance of payments calculated and maintained by the REPUBLIC OF COLOMBIA, thereby causing additional expenditures of funds by the REPUBLIC OF COLOMBIA to detect and compensate for the huge unrecorded and irregular foreign exchange operations, depriving the REPUBLIC OF COLOMBIA of money and property.

(q) *Damage to THE REPUBLIC OF COLOMBIA'S Regulation of its Customs Territory.* The violation and permeation of the Colombian border and the Territory of the REPUBLIC OF COLOMBIA by money-laundering activities and the illegal transport of money into and out of the REPUBLIC OF COLOMBIA violates the legal rights of THE REPUBLIC OF COLOMBIA, threatens the safety, security, and well-being of governmental personnel and property within THE REPUBLIC OF COLOMBIA, and

interferes with and damages the regulatory system and authority of THE REPUBLIC OF COLOMBIA.

(r) *Injury to THE REPUBLIC OF COLOMBIA and DEPARTMENTS OF THE REPUBLIC OF COLOMBIA due to DEFENDANT'S Support of Narcotics Trafficking and Terrorist Organizations.*

Illegal liquor sales by the DEFENDANTS and their co-conspirators into Colombia and other areas have resulted in a direct financial benefit to narcotics trafficking and terrorist organizations that have caused harm to THE REPUBLIC OF COLOMBIA and to the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA, including but not limited to destruction of public property, death and/or injury of government personnel, diminished economic productivity, increased law-enforcement expenses, and other costs associated with combating terrorism.

(s) *Damage Caused by Bribery of Public Officials.* Money-laundering activities, bribery of government officials, and other related criminal acts conducted in various countries and in particular Colombia and Venezuela, have caused severe harm to THE REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA, including but not limited to increased law-enforcement and military expenditures, disruption of public services, expenses to stabilize unstable political situations in

entire regions of Colombia, and damage to the trade and the economy of THE REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA.

(t) *Expenses and Costs Incurred to Address, Remedy, and Repair the Effects of the Money Laundering by the DEFENDANTS.* The REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA have been required to incur expenses and costs to address and remedy the money-laundering activities of the DEFENDANTS and the effects thereof. The PLAINTIFFS have suffered economic losses and other damages as a result of the need to address and remedy the money laundering conducted by the DEFENDANTS and the effects thereof and for which the PLAINTIFFS are entitled to restitution and reimbursement.

104. THE REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA and their economies have suffered losses at least equal to, and properly measured by, the total amount of criminal proceeds laundered by the DEFENDANTS. These losses were directly and proximately caused by the money-laundering activities of the DEFENDANTS and their co-conspirators. THE REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA have the duty and responsibility to protect against, and to seek redress for, such losses.

105. As a direct and proximate result of the money-laundering activities that are conducted, aided, and encouraged by the DEFENDANTS, losses of hundreds of millions of dollars per year are being suffered by THE REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA, which have been deprived of money and property in this manner throughout the 1990s and continuing through the present time. If the money-laundering activities of the DEFENDANTS are not stopped, THE REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA will continue to lose money, property and business in the future. In addition, THE REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA have been required to expend large amounts of money in their efforts to stop money laundering and to recoup funds that they have lost as a result of the activities of the DEFENDANTS. All of these losses will continue into the future, absent judgment in PLAINTIFFS' favor and injunctive and equitable relief, including:

(a) *RICO Injunctive and Equitable Relief.* Under the RICO statute, 18 U.S.C. § 1964(a), and pursuant to inherent equitable powers of the Court, the U.S. District Court is empowered to prevent and restrain violations of 18 U.S.C. § 1962 by issuing appropriate orders, including without limitation: (i)

ordering any person to divest himself or herself of any interest, direct or indirect, in any enterprise; (ii) imposing reasonable restrictions on the future activities or investments of any person that affect interstate or foreign commerce, including, but not limited to, prohibiting any person from engaging in the same type of endeavor as the enterprise engaged in; and (iii) ordering dissolution or reorganization of any enterprise, making due provision for the rights of innocent persons. In addition, under 28 U.S.C. § 1651(a), the U.S. District Courts are empowered to "issue all writs necessary or appropriate in aid of their respective jurisdictions and agreeable to the usages and principles of law." Consistent with these powers, the REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA seek an order that: (i) enjoins the DEFENDANTS and their respective agents, servants, officers, directors, employees, and all persons acting in concert with them from laundering the proceeds of criminal activities through the sale of liquor products; (ii) compels each of the DEFENDANTS who are found to have violated 18 U.S.C. § 1962 to disgorge all proceeds derived from any such violation and to make restitution to the PLAINTIFFS; (iii) enjoins the DEFENDANTS and their respective agents, servants, officers, directors, employees, and

all persons acting in concert with them from selling liquor products and/or receiving payment for liquor products without proper documentation, shipping records, markings, and similar indicia of compliance with law that will facilitate the proper tracking of the liquor products and the funds with which they were purchased; (iv) enjoins the DEFENDANTS and their respective agents, servants, officers, directors, employees, and all persons acting in concert with them from selling liquor products to any distributor or any other person who cannot fully and accurately account for the source of the funds with which the liquor products were purchased; (v) enjoins the DEFENDANTS and their respective agents, servants, officers, directors, employees, and all persons acting in concert with them from engaging in any practices by which distributors, shippers, or wholesalers can pay for the liquor products in question into offshore corporations, offshore bank accounts, or other locations that limit the ability of government officials to track the sale of liquor products or the payment for said liquor products; (vi) orders the DEFENDANTS to create and utilize adequate protocols by which all liquor products manufactured by the DEFENDANTS and all payments made for the sale of such liquor products into THE REPUBLIC OF COLOMBIA can be adequately tracked

and monitored by government officials of THE REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA; (vii) orders the DEFENDANTS to take all reasonable and necessary steps to stop the money-laundering scheme, including the addition of any necessary labeling, tracking devices, or other means that would allow the DEFENDANTS and/or THE REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA to track and monitor the movement of liquor products into and within THE REPUBLIC OF COLOMBIA; (viii) orders the DEFENDANTS to disclose all information within their possession concerning the names, locations, activities, and procedures of their non-legitimate customers; (ix) orders the DEFENDANTS to implement "know your customer" protocols and rules for the acceptance of payments for their products that will make it difficult or impossible for criminals to launder criminal proceeds through the purchase of their products; (x) orders the imposition of a constructive trust and equitable lien upon the DEFENDANTS' ill-gotten gains, including without limitation those profits and proceeds derived from the money-laundering scheme, and compels the DEFENDANTS to disgorge to PLAINTIFFS all ill-gotten gains derived from the money-laundering scheme; (xi) orders the imposition of a constructive trust and equitable lien upon all monies laundered

by the DEFENDANTS as a part of the money-laundering scheme and compels the DEFENDANTS to disgorge to PLAINTIFFS an amount equal to the total amount of monies laundered through the aforesaid scheme; (xii) orders divestiture of all interests held by the DEFENDANTS, directly or indirectly, in the enterprises involved in the money-laundering activities; and (xiii) orders the DEFENDANTS to adopt, monitor and enforce appropriate compliance programs to deter and remedy money-laundering activities involving their products. For purposes of this complaint, all of the foregoing injunctive and equitable remedies and those injunctive and equitable remedies that may hereafter be sought by THE REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA or ordered by the Court with respect to THE REPUBLIC OF COLOMBIA'S and the DEPARTMENTS OF COLOMBIA'S claims under RICO shall be referred to herein as "RICO Injunctive and Equitable Relief."

(b) *Common Law Injunctive and Equitable Relief.*

Under the common law, and pursuant to the inherent equitable powers of the Court, the U.S. District Court is empowered to prevent and restrain the DEFENDANTS' and their co-conspirators' money-laundering activities, enter prohibitory and mandatory injunctions, and impose other equitable relief, to provide full

relief to PLAINTIFFS and to prevent continuing harm to the PLAINTIFFS' interests. In addition, the federal courts are empowered under 28 U.S.C. § 1651(a) to "issue all writs necessary or appropriate in aid of their respective jurisdictions and agreeable to the usages and principles of law."

106. Consistent with these powers, THE REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA seek an order that: (i) enjoins the DEFENDANTS and their respective agents, servants, officers, directors, employees, and all persons acting in concert with them from laundering the proceeds of criminal activities through the sale of liquor products or otherwise engaging in conduct that violates any common law, statutory or equitable standard; (ii) compels each of the DEFENDANTS that is found to have violated any common law, statutory, or equitable standard to disgorge all proceeds derived from any such violation and to make restitution to PLAINTIFFS; (iii) enjoins the DEFENDANTS and their respective agents, servants, officers, directors, employees, and all persons acting in concert with them from selling liquor products without proper documentation, shipping records, markings, and similar indicia of compliance with law that would allow the

proper tracking of the liquor products and the funds with which they were purchased so that they cannot be sold illegally; (iv) enjoins the DEFENDANTS and their respective agents, servants, officers, directors, employees, and all persons acting in concert with them from selling liquor products to any distributor or any other person who cannot fully and accurately account for where the liquor products will ultimately be sold; (v) enjoins the DEFENDANTS and their respective agents, servants, officers, directors, employees, and all persons acting in concert with them from engaging in any practices by which distributors, shippers, or wholesalers can pay for the liquor products in question into offshore corporations, offshore bank accounts, or other locations that limit the ability of government officials to track the sale of liquor products or the payment for said liquor products; (vi) orders the DEFENDANTS to create and utilize adequate protocols by which all liquor products manufactured by the DEFENDANTS and all payments made for such liquor products into THE REPUBLIC OF COLOMBIA can be adequately tracked and monitored by governmental officials of THE REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA; (vii) orders the DEFENDANTS to take all reasonable and necessary steps to terminate ongoing money laundering and

prevent future money laundering, including the addition of any necessary labeling, tracking devices, or other means that would allow the DEFENDANTS and/or THE REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA to track and monitor the movement of liquor products into and within THE REPUBLIC OF COLOMBIA; (viii) orders the DEFENDANTS to disclose all information within their possession concerning the names, locations, activities, and procedures of their non-legitimate customers; (ix) orders the DEFENDANTS to implement "know your customer" protocols and rules for the acceptance of payments for their products that make it difficult or impossible for criminals to launder criminal proceeds through the purchase of their products; (x) orders the imposition of a constructive trust and equitable lien upon the DEFENDANTS' ill-gotten gains, including without limitation those profits and proceeds derived from the money-laundering scheme, and compels the DEFENDANTS to disgorge to PLAINTIFFS all ill-gotten gains derived from the money-laundering scheme; (xi) orders the imposition of a constructive trust and equitable lien upon all monies laundered by the DEFENDANTS as a part of the money-laundering scheme and compels the DEFENDANTS to disgorge to PLAINTIFFS an amount equal to the total amount of monies laundered through the aforesaid

scheme; (xii) orders divestiture of all interests held by the DEFENDANTS, directly or indirectly, in the enterprises involved in the money-laundering activities; (xiii) orders the DEFENDANTS to adopt, monitor and enforce appropriate compliance programs to deter and remedy money-laundering activities involving their products. For purposes of this complaint, all of the foregoing injunctive and equitable remedies, and those injunctive and equitable remedies that may hereafter be sought by PLAINTIFFS or ordered by the Court on PLAINTIFFS' common law claims, shall be referred to herein as "Common Law Injunctive and Equitable Relief."

COUNT I
(AS TO ALL DEFENDANTS)
(RICO, 18 U.S.C. § 1962(a))

107. The PLAINTIFFS restate and reallege paragraphs one (1) through one hundred and six (106) and further allege:

108. The DEFENDANTS, along with their co-conspirators in the money-laundering schemes, including associated distributors, shippers, currency dealers, wholesalers, money brokers, and other participants in the schemes identified above, were, at relevant times, an association-in-fact of individuals

and corporations engaged in, and the activities of which affected, interstate and foreign commerce, and thus constituted an "enterprise" within the meaning of 18 U.S.C. § 1961(4) (the "DEFENDANTS' Money-Laundering Enterprise"). These persons and entities were and are associated in fact for the purpose, among others, of illegally laundering criminal proceeds of criminal activity to the economic detriment of PLAINTIFFS. The DEFENDANTS' Money-Laundering Enterprise is an ongoing organization whose constituent elements function as a continuing unit for the common purpose of maximizing the sale of liquor products through illegal means and carrying out other elements of the DEFENDANTS' scheme. The DEFENDANTS' Money-Laundering Enterprise has an ascertainable structure and purpose beyond the scope of the DEFENDANTS' predicate acts and the conspiracy to commit such acts. The Enterprise has engaged in and its activities have affected interstate and foreign commerce. The Enterprise continues through the concerted activities of the DEFENDANTS to disguise the nature of the wrongdoing, to conceal the proceeds thereof, and to conceal the DEFENDANTS' participation in the Enterprise in order to avoid and/or minimize their exposure to criminal and civil penalties and damages. The role of each DEFENDANT in the DEFENDANTS' Money-

Laundering Enterprise has been set forth above.

109. In connection with the fraudulent schemes set forth above, and to further their illegal aims, the DEFENDANTS have engaged in numerous acts of "racketeering activity," and each of the DEFENDANTS has aided and abetted each other of the DEFENDANTS and other co-conspirators in committing those acts of "racketeering activity" within the meaning of RICO. 18 U.S.C. §§ 1961, et seq.; 18 U.S.C. § 2. The DEFENDANTS have committed multiple predicate acts of racketeering including, but not limited to:

110. Money Laundering. (18 U.S.C. §§ 1956(a)(1), 1961(1)(B)). Knowing that the property involved in certain financial transactions represented the proceeds of some form of unlawful activity, the DEFENDANTS conducted or attempted to conduct financial transactions in interstate and foreign commerce involving the proceeds of specified unlawful activity with the intent to promote the carrying on of specified unlawful activity; or did so knowing that the transactions were designed in whole or in part to conceal or disguise the nature, the location, the source of ownership, or the control of the proceeds of specified unlawful activity, or did so knowing that the transactions were designed in whole or in part to avoid a

transaction reporting requirement under state or federal law. The DEFENDANTS knew that the funds they received in exchange for liquor products represented the proceeds of specified unlawful activity, including without limitation narcotics trafficking, wire fraud, mail fraud, and violations of the Travel Act. The DEFENDANTS also knew that such transactions constituted offences against a foreign nation involving the manufacture, importation, sale, or distribution of a controlled substance. The DEFENDANTS knowingly conducted and attempted to conduct such financial transactions with the intent to promote the carrying on of such unlawful activity. In addition, the DEFENDANTS knowingly conducted and attempted to conduct such financial transactions with the intent to conceal or disguise the nature (proceeds of racketeering activity), the location, the source (drug traffickers, money launderers), the ownership, or the control of the proceeds of specified unlawful activity. Finally, the DEFENDANTS knowingly conducted and attempted to conduct such financial transactions to avoid transaction-reporting requirements under state or federal law, including without limitation currency and monetary instrument reports.

111. International Money Laundering. (18 U.S.C. §§ 1956(a)(2), 1961(1)(B)). The DEFENDANTS transported,

transmitted, and/or transferred monetary instruments or funds to a place in the United States from or through a place outside the United States with the intent to promote the carrying on of specified unlawful activity, or did so knowing that the monetary instruments or funds involved in the transportation, transmission, or transfer represented the proceeds some form of unlawful activity and knowing that such transportation, transmission, or transfer was designed in whole or in part to conceal or disguise the nature, the location, the source, the ownership, or the control of the proceeds of a specified unlawful activity, or to avoid a transaction reporting requirement under state or federal law. By such conduct, the DEFENDANTS engaged in financial transactions within the meaning of 18 U.S.C. § 1956(c)(4). Among other things, the DEFENDANTS knew that money orders and funds sent from South America and the Caribbean to pay for liquor products purchased in bulk represented the proceeds of specified unlawful activity, including without limitation wire fraud, mail fraud, and violations of the Travel Act. The DEFENDANTS also knew that such specified unlawful activity was an offence against a foreign nation involving the manufacture, importation, sale or distribution of a controlled substance. The DEFENDANTS also

aided and abetted violations of 18 U.S.C. § 1956(a)(1) and § 1956(a)(2).

112. Conspiracy to Engage in Money Laundering. 18 U.S.C. §§ 1956(h), 1961(1)). The DEFENDANTS conspired to commit offences defined in 18 U.S.C. § 1956 – including § 1956(a)(1) and § 1956(a)(2). The DEFENDANTS, by their words and actions, agreed to accept currency, monetary instruments, and funds with the knowledge that the currency, monetary instruments, and funds represented the proceeds of specified unlawful activity conducted by themselves and their co-conspirators. The DEFENDANTS adopted the common purpose of the conspiracy and participated in its consummation. The goal of the money-laundering conspiracy was to deprive PLAINTIFFS of money and property, while assuring that the profits derived from liquor product sales were repatriated to the benefit of the DEFENDANTS in a clandestine manner to avoid detection and prosecution.

113. Money Laundering (18 U.S.C. §§ 1957, 1961(1)). DEFENDANTS knowingly engaged or attempted to engage in monetary transactions in the United States, in criminally derived property having a value greater than \$10,000 and derived from specified unlawful activity. 18 U.S.C. § 1957(f)(3) and § 1956(c)(7). The DEFENDANTS engaged in monetary transactions,

including deposits, withdrawals, transfers, or exchanges, in or affecting interstate or foreign commerce, involving funds or monetary instruments by, through, or to financial institutions. The DEFENDANTS knew that the funds or instruments received in exchange for their liquor products represented the proceeds of specified unlawful activity, including but not limited to, wire fraud, mail fraud, and violations of the Travel Act. The DEFENDANTS knew that such specified unlawful activity included offences against foreign nations involving the manufacture, importation, sale, or distribution of controlled substances.

114. Money Laundering of Proceeds of Offences against Foreign Nations. (18 U.S.C. § 1956(c)(7)(B)(vi); 18 U.S.C. § 1961(1)(B)). The DEFENDANTS, knowing that the property involved in a financial transaction represented the proceeds of some form of unlawful activity, conducted or attempted to conduct financial transactions in interstate and foreign commerce involving the proceeds of specified unlawful activity with the intent to promote the carrying on of specified unlawful activity; or did so knowing that the transactions were designed in whole or in part to conceal or disguise the nature, the location, the source, the ownership, or the control of the proceeds of specified unlawful activity; or did so knowing that

the transactions were designed in whole or in part to avoid transaction reporting requirements under state or federal law. The DEFENDANTS knew that the proceeds of transactions with narcotics traffickers, participants in organized crime, money launderers, and others engaged in criminal conduct represented the proceeds of specified unlawful activity, including without limitation offences with respect to which the United States would be obligated by a multilateral treaty either to extradite the alleged offender or to submit the case for prosecution, if the offender were found within the territory of the United States. Specifically, the DEFENDANTS laundered the proceeds of offences that are subject to multilateral treaties, including without limitation the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances (1988), and the International Convention for the Suppression of the Financing of Terrorism (2001), and the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (Adopted November 21, 1997, entered into force in the United States: February 15, 1999).

115. The DEFENDANTS have laundered the proceeds of various offences covered by the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic

substances, including, for example: (i) the conversion or transfer of property, knowing that such property is derived from narcotics trafficking, or from an act of participation in such offence or offences, for the purpose of concealing or disguising the illicit origin of the property or of assisting persons involved in the commission of such an offence or offences to evade the legal consequences of their actions; (ii) the financing of narcotics trafficking; (iii) the concealment or disguise of the true nature, source, location, disposition, movement, rights with respect to, or ownership of property, knowing that such property is derived from narcotics trafficking or from an act of participation in such an offence or offences; (iv) the acquisition, possession or use of property, knowing, at the time of receipt, that such property was derived from narcotics trafficking or from an act of participation in such offence or offences; and (v) participation in, association or conspiracy to commit, attempts to commit, and aiding, abetting, facilitating and counselling the commission of acts of, narcotics trafficking.

116. The DEFENDANTS have laundered the proceeds of various offences covered by the International Convention for the Suppression of the Financing of Terrorism (2001), including, for

example, providing material support and resources to persons and entities engaged in terrorist activities, and providing assets, including products and services, to those persons and entities, acting with knowledge that such persons and entities, including without limitation the Revolutionary Armed Forces of Colombia (Fuerzas Armadas Revolucionarias de Colombia, FARC) and the United Self-Defense Units of Colombia (Autodefensas Unidas de Colombia, AUC), were engaged in terrorism or the sponsorship of terrorist activities. Such persons and entities that engage in terrorist activity are so tainted by their criminal conduct that providing any assets, material support or resources to any of them facilitates such terrorist activities.

117. The DEFENDANTS have laundered, and conspired to launder, the proceeds of various offences covered by the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (Adopted November 21, 1997, entered into force in the United States: February 15, 1999), including for example the proceeds of transactions obtained or continued as a consequence of payments, direct and indirect, to foreign public officials. As alleged above, the DEFENDANTS made payments or provided things of value to foreign public officials, retained or obtained business as a result of such

payments, and laundered the proceeds of those transactions, often through venues known for bank secrecy.

118. Money Laundering of Proceeds of Terrorism. (18 U.S.C. § 1956(c)(7)(D); 18 U.S.C. § 1961(1)(B); 18 U.S.C. § 1961(1)(G)). The DEFENDANTS, knowing that the property involved in a financial transaction represented the proceeds of some form of unlawful activity, conducted or attempted to conduct financial transactions in interstate and foreign commerce involving the proceeds of specified unlawful activity with the intent to promote the carrying on of specified unlawful activity; or did so knowing that the transaction was designed in whole or in part to conceal or disguise the nature, the location, the source, the ownership, or the control of the proceeds of specified unlawful activity; or did so knowing that the transaction was designed in whole or in part to avoid a transaction reporting requirement under state or federal law. The DEFENDANTS knew that the proceeds of transactions with persons and entities engaged in terrorism represented the proceeds of specified unlawful activity, including but not limited to acts of terrorism.

119. Money Laundering of Proceeds of Offences against a Foreign Nation Involving Narcotics Trafficking. (18 U.S.C. §

1956(c)(7)(B); 18 U.S.C. § 1961(1)(B)). Knowing that the property involved in a financial transaction represented the proceeds of some form of unlawful activity, the DEFENDANTS conducted or attempted to conduct financial transactions in interstate and foreign commerce involving the proceeds of specified unlawful activity with the intent to promote the carrying on of specified unlawful activity; or did so knowing that the transaction was designed in whole or in part to conceal or disguise the nature, the location, the source, the ownership, or the control of the proceeds of specified unlawful activity; or did so knowing that the transaction was designed in whole or in part to avoid transaction reporting requirements under state or federal law. The DEFENDANTS knew that the proceeds of transactions with narcotics traffickers, money launderers and others engaged in criminal activity represented the proceeds of specified unlawful activity, including an offence against a foreign nation involving the manufacture, importation, sale or distribution of a controlled substance.

120. Money Laundering of Proceeds of Violations of Foreign Corrupt Practices Act. (18 U.S.C. § 1956(c)(7)(D); 18 U.S.C. § 1961(1)(B)). In general, the Foreign Corrupt Practices Act (FCPA) makes it unlawful for the DEFENDANTS, or any officer,

director, employee, or agent thereof, to pay or promise to pay money or any thing of value to any foreign official for purposes of influencing any act or decision of the foreign official in his or her official capacity, inducing such official to do or omit to do any act in violation of the lawful duty of such official, or securing any improper advantage, or inducing such foreign official to use his or her influence with a foreign government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality, in order to assist the DEFENDANTS in obtaining or retaining business for or with, or directing business to, any person. "Foreign official" means any officer or employee of a foreign government or any department, agency, or instrumentality thereof, or of a public international organization, or any person acting in an official capacity for or on behalf of such entities.

121. The DEFENDANTS, acting through intermediaries, provided money or things of value to foreign officials to obstruct oversight of the DEFENDANTS' conduct, preclude discovery of their involvement in money laundering and other criminality, and thereby permit their business to continue. The DEFENDANTS, knowing that the property involved in a financial transaction represented the proceeds of some form of unlawful

activity, conducted or attempted to conduct financial transactions in interstate and foreign commerce involving the proceeds of specified unlawful activity with the intent to promote the carrying on of specified unlawful activity; or, knowing that the transaction was designed in whole or in part to conceal or disguise the nature, the location, the source of ownership, or the control of the proceeds of specified unlawful activity, or, knowing that the transaction was designed in whole or in part to avoid a transaction reporting requirement under state or federal law.

122. Wire Fraud and Mail Fraud. (18 U.S.C. §§ 1341, 1343, 1961(1)(B)). The DEFENDANTS devised a scheme or artifice to defraud and/or to obtain money by means of false pretences, representations, or promises, and used the mails and wires for the purpose of executing the scheme, and acted with a specific intent to defraud by devising, participating in, and/or abetting the scheme. The wire and mail communications were made during the course of the conspiracy that covered at least 1991 to 2004. Hundreds of telephone conversations and faxes were made to further the fraudulent scheme on virtually a daily basis during the course of the conspiracy, including without limitation those identified in paragraphs 49, 53, 55, 83, and others. These

telephone conversations, mailings, and wire transfer of funds furthered the scheme by expediting the secret payments to the DEFENDANTS of funds that constituted the proceeds of criminal activity and were part of a clandestine system for the remittance of such proceeds to the DEFENDANTS. The DEFENDANTS, acting through their employees, agents, and co-conspirators, made or caused to be made such telephone calls, mailings, and wire transfers of funds to further the scheme. The DEFENDANTS knew that their co-conspirators, in the course of carrying out the DEFENDANTS' directions and orders, would use or cause to be used the interstate and international wires and mails. The motive for committing fraud is plain: the acquisition of criminals as additional customers by laundering their criminal proceeds meant increased profits and market share for the DEFENDANTS.

123. Violation of the Travel Act. (18 U.S.C. §§ 1952, 1961(1)(B)). The DEFENDANTS travelled in interstate or foreign commerce, and used facilities in interstate and foreign commerce, including the mail, with intent to distribute the proceeds of unlawful activity, and to promote, manage, establish, carry on, or facilitate the promotion, management, establishment, or carrying on of unlawful activity, and

thereafter performed or attempted to perform unlawful activity. The DEFENDANTS knew that the funds provided to them represented the proceeds of unlawful activity, including trafficking in narcotics and controlled substances, and knew that, by accepting such payments, they aided the efforts of the drug traffickers to launder their ill-gotten gains. The DEFENDANTS and their representatives and co-conspirators travelled across national borders and otherwise used the facilities of foreign commerce to distribute the proceeds of unlawful activity to the benefit of the DEFENDANTS. By this conduct, the DEFENDANTS promoted, managed, established, and facilitated such unlawful activity.

124. The acts described above form a "pattern" of racketeering activity within 18 U.S.C. § 1961(5). The DEFENDANTS and others with whom they have been associated have been related in their common objectives of maximizing global liquor sales and utilizing money laundering to achieve this end. The DEFENDANTS' predicate acts have had the same or similar purposes, results, participants, victims, and methods of commission, and occurred over at least a ten-year period. The predicate acts have been consistently repeated and are capable of further repetition.

125. The DEFENDANTS' pattern of racketeering

activities dates from at least January 1, 1990, through the present and threatens to continue in the future.

126. The DEFENDANTS used or invested, directly or indirectly, racketeering income, or a part thereof, or the proceeds of such income, to acquire an interest in, establish, and operate, the Money-Laundering Enterprise, which is and was engaged in, or the activities of which affect and have affected, interstate or foreign commerce, in violation of 18 U.S.C. § 1962(a). The DEFENDANTS were principals in the racketeering scheme. The PLAINTIFFS have suffered multiple injuries to their economic and business interests as a result of this use and investment of racketeering income.

127. Specifically, the DEFENDANTS received the income and proceeds of a pattern of racketeering activity in which they participated as principals, including an international money-laundering scheme, acts of wire fraud and mail fraud, and violations of the Travel Act. Upon their receipt of such ill-gotten gains by wire transfers from money launderers and/or their associates, the DEFENDANTS used and invested such income and proceeds, or a portion thereof, to acquire an interest in, establish, and operate the DEFENDANTS' Money-Laundering Enterprise, which was and is engaged in interstate and foreign

commerce. In particular, the DEFENDANTS used the proceeds of the scheme: (a) to operate the DEFENDANTS' Money-Laundering Enterprise; (b) to replenish the supply of liquor products for ultimate sale to known money launderers; (c) to acquire, purchase, and subsidize facilities necessary to the DEFENDANTS' Money-Laundering Enterprise, including manufacturing, sales, and distribution operations (e.g., United Distillers Colombia, S.A., and UDV/Rueda, S.A.), secret offices and offshore companies and bank accounts (e.g., Aruban companies and bank accounts); (d) to compensate employees and agents, the DEFENDANTS engaged in the money-laundering activities; (e) to pay expenses incurred in connection with money-laundering activities such as telephone bills incurred in the wire-fraud scheme and travel costs incurred by such employees; and (f) to establish a money-laundering scheme, infrastructure, and network. In sum, the DEFENDANTS did not reinvest the proceeds of racketeering activity in their general business operations, but instead used and invested such proceeds to establish the infrastructure of, acquire an interest in, and operate the DEFENDANTS' Money-Laundering Enterprise, and it was this use and investment that harmed the property and business interests of the PLAINTIFFS. The use and investment of the proceeds of racketeering activity

occurred in several ways, including but not limited to the following:

128. The proceeds from the money-laundering enterprise finance the sales and marketing operations that promote the increase of sales in succeeding years.

129. The increased market volume and premium prices charged to money-laundering customers are utilized to offset the additional expenses incurred by the DEFENDANTS when they pay for and subsidize the additional shipping and handling charges associated with the clandestine movement of the liquor products through the circuitous routes established by the DEFENDANTS.

130. The PLAINTIFFS were injured in their business and property by reason of the DEFENDANTS' use and investment of racketeering income to acquire, establish, and operate the DEFENDANTS' Money-Laundering Enterprise. Absent this use and investment of racketeering income, the criminals who launder their criminal proceeds through the purchase of liquor products would find their crimes less profitable and more difficult if not impossible to commit, and the economic injury to the PLAINTIFFS would have been avoided in whole or in part.

131. As a direct and proximate result of the violations set forth above, the PLAINTIFFS, have been injured in

their business and property as set forth more fully above in paragraphs one hundred and eleven(111) through one hundred and thirteen (113). The DEFENDANTS' violations of 18 U.S.C. § 1962(a) caused these losses. Under the provisions of 18 U.S.C. § 1964(c), the PLAINTIFFS are entitled to bring this action and recover herein treble damages, the cost of bringing the suit, pre-judgment interest, and reasonable attorneys' fees.

COUNT II
(AS TO ALL DEFENDANTS)
(RICO, 18 U.S.C. § 1962(b))

132. The PLAINTIFFS restate and reallege paragraphs one (1) through one hundred thirty-one (131) and further allege:

133. The DEFENDANTS acquired or maintained, directly or indirectly, through a pattern of racketeering activity, an interest in and control of the DEFENDANTS' Money-Laundering Enterprise, which was and is engaged in, or the activities of which affect and have affected, interstate or foreign commerce in violation of 18 U.S.C. § 1962(b). The PLAINTIFFS have been injured by the DEFENDANTS' acquisition and maintenance of an interest in and control of the enterprise through a pattern of racketeering activity.

134. The DEFENDANTS, through a pattern of racketeering activity, acquired or maintained, directly or indirectly, an interest in and control of the DEFENDANTS' Money-Laundering Enterprise that engaged in and the activities of which affect interstate and foreign commerce. Specifically, the DEFENDANTS maintained control of the DEFENDANTS' Money-Laundering Enterprise by means of racketeering activities, including, for example: (a) interstate and international wire communications in violation of 18 U.S.C., § 1343 (orders and instructions for payment were placed telephonically and DEFENDANTS had total control over the enterprise and the payment for their product); (b) money laundering in violation of 18 U.S.C., §§ 1956 and 1957 (DEFENDANTS controlled and concealed the flow of the proceeds of the liquor product sales - a key aim of the scheme - through money laundering); and (c) violations of the Travel Act, 18 U.S.C., § 1952 (cross-border travel and transactions to facilitate money laundering and other illicit activities), and the purchase and control of Colombian "umbrella operations" (acquisition of Rueda importer). Through this pattern of racketeering activities, which also included transmitting false statements to government authorities, the DEFENDANTS were able to acquire and maintain an interest in and control of the

DEFENDANTS' Money-Laundering Enterprise. This interest and control furthered, concealed, and protected the operations of the money-laundering enterprise, and thereby permitted the DEFENDANTS' Money-Laundering Enterprise to flourish without detection.

135. As a direct and proximate result of the DEFENDANTS' acquisition and maintenance of an interest in and control of the DEFENDANTS' Money-Laundering Enterprise, the PLAINTIFFS have suffered the loss of money and property as set forth more fully above in paragraphs one hundred and eleven(111) through one hundred and thirteen (113). The DEFENDANTS' violations of 18 U.S.C. § 1962(b) caused these losses. Under the provisions of 18 U.S.C. § 1964(c), the PLAINTIFFS are entitled to bring this action and recover herein treble damages, the cost of bringing the suit, pre-judgment interest, and reasonable attorneys' fees.

COUNT III
(AS TO ALL DEFENDANTS)
(RICO, 18 U.S.C. § 1962(c))

136. The PLAINTIFFS restate and reallege paragraphs one (1) through one hundred thirty-five (135) and further

allege.

137. The DEFENDANTS, through the commission of two or more acts constituting a pattern of racketeering activity, directly or indirectly participated in the operation or management of the DEFENDANTS' Money-Laundering Enterprise, the activities of which affect interstate or foreign commerce.

138. At all relevant times, the DEFENDANTS participated in the operation or management of an "enterprise," within the meaning of 18 U.S.C. § 1961(4). The DEFENDANTS, operating together and individually, directed and controlled the DEFENDANTS' Money-Laundering Enterprise. The DEFENDANTS operated, managed, and exercised control over the money-laundering enterprise by, among other things: (a) establishing a money-laundering scheme in which the co-conspirators facilitated the money-laundering scheme and concealed and remitted to the DEFENDANTS the proceeds of the money-laundering scheme; (b) compelling their customers to sell liquor products at a price set by the DEFENDANTS; and (c) investing and using the proceeds of the money-laundering scheme in the enterprise.

139. As a direct and proximate result of the violations set forth above, the PLAINTIFFS, have been injured in their business and property as set forth more fully above in

paragraphs one hundred and eleven(111) through one hundred and thirteen (113). The DEFENDANTS' violations of 18 U.S.C. § 1962(c) caused these losses. Under the provisions of 18 U.S.C. § 1964(c), the PLAINTIFFS are entitled to bring this action and recover herein treble damages, the cost of bringing the suit, pre-judgment interest, and reasonable attorneys' fees.

COUNT IV
(AS TO ALL DEFENDANTS)
(RICO, 18 U.S.C. § 1962(d))

140. The PLAINTIFFS restate and reallege paragraphs one (1) through one hundred thirty-nine (139) and further allege:

141. The DEFENDANTS entered into an agreement with each other and with distributors, shippers, currency dealers, and wholesalers to join in the conspiracy to violate 18 U.S.C. §§ 1962(a), 1962(b), and 1962(c). Each DEFENDANT entered into an agreement to join the conspiracy, and took acts in the furtherance of the conspiracy and knowingly participated in the conspiracy. The purpose of the conspiracy was to acquire and service new customers by laundering the proceeds of their criminal activity to the economic detriment of PLAINTIFFS and to

the economic benefit of the DEFENDANTS. The conspirators carried out the scheme and each conspirator was put on notice of the general nature of the conspiracy, that the conspiracy extended beyond the individual role of any single member, and that the conspiratorial venture functioned as a continuing unit for a common purpose. The DEFENDANTS adopted the goal of furthering and facilitating the criminal endeavor. Their stake in the money-laundering venture was in making profits and increasing market share through their informed and interested cooperation with their criminal customers, and their active assistance, stimulation, and instigation of the money-laundering activities.

142. The DEFENDANTS, together with each member of the conspiracy, agreed and conspired to violate: (1) 18 U.S.C. § 1962(a) by using, or causing the use of, income they derived from the above-described pattern of racketeering activities in the acquisition, establishment, and/or operation of the enterprise, the activities of which affect interstate or foreign commerce; (2) 18 U.S.C. § 1962(b) by acquiring or maintaining, or causing the acquisition or maintenance of, through a pattern of racketeering activity, an interest or control in the enterprise, the activities of which affect interstate or foreign

commerce; (3) 18 U.S.C. § 1962(c) by participating, directly and indirectly, in the conduct of the affairs of the enterprise through a pattern of racketeering activity, including an agreement that the conspirators, or one of them, would commit or cause the commission of two or more racketeering acts constituting such a pattern; and (4) violating the USA Patriot Act.

143. The DEFENDANTS participated in and cooperated with each other and with their co-conspirators in the aforementioned conspiracy that enabled each liquor manufacturer and distributor to enhance its market share, suppress its competition, and promote sale of its products.

144. As a result of the conspiracy, the DEFENDANTS and their co-conspirators were able to facilitate the laundering of large volumes of money that constituted the proceeds of criminal activity.

145. The membership of the conspiracy in question included the DEFENDANTS and liquor distributors, the shippers, the wholesalers, currency brokers, and the DEFENDANTS' subsidiary and affiliate corporations; who act in concert to produce the liquor products, mislabel or fail to properly label the liquor products, sell the liquor products, and arrange for

payment in a way that is undetectable by governmental authorities, with said payment ultimately being returned to the DEFENDANTS. As co-conspirators, the DEFENDANTS are liable for all of the actions committed by all of the co-conspirators within the conspiracy and are liable for all of the damages sustained by the PLAINTIFFS that were caused by any members of the conspiracy, regardless of whether the DEFENDANTS were themselves directly involved in a particular aspect of the enterprise.

146. As a direct and proximate result of the violations set forth above, the PLAINTIFFS, have been injured in their business and property as set forth more fully above in paragraphs one hundred and eleven(111) through one hundred and thirteen (113). The DEFENDANTS' violations of 18 U.S.C. § 1962(d) caused these losses. Under the provisions of 18 U.S.C. § 1964(c), the PLAINTIFFS are entitled to bring this action and recover herein treble damages, the cost of bringing the suit, pre-judgment interest, and reasonable attorneys' fees.

COUNT V
(AS TO ALL DEFENDANTS)
(RICO, 18 U.S.C. §§ 1964(a), 1964(c), 28 U.S.C. § 1651(a))

147. The PLAINTIFFS restate and reallege paragraphs one (1) through one hundred forty-six (146) and further allege:

148. The United States District Court is empowered to prevent and restrain violations of 18 U.S.C. § 1962 by issuing appropriate orders, including, but not limited to: ordering any person to divest himself or herself of any interest, direct or indirect, in any enterprise; imposing reasonable restrictions on the future activities or investments of any person, including, but not limited to, prohibiting any person from engaging in the same type of endeavor in which the enterprise engaged, the activities of which affect interstate or foreign commerce; or ordering dissolution or reorganization of any enterprise, making due provision for the rights of innocent persons. 18 U.S.C. § 1964(a).

149. The DEFENDANTS currently are actively engaged in the activities set forth within this complaint that promote and support the money laundering that is the subject matter of this complaint.

150. The DEFENDANTS intend to continue said activities and to interfere with investigations by governmental officials into the DEFENDANTS and their co-conspirators' money-laundering

activities.

151. The DEFENDANTS, by their conduct of selling liquor products to money launderers, creating false and misleading documents, improperly labeling shipments of liquor products, and setting forth mechanisms of payment by which criminals may pay for the liquor products without being detected by government investigations, all continue to damage the PLAINTIFFS.

152. As a result of the DEFENDANTS' conduct in violation of 18 U.S.C. §§ 1962(a), 1962(b), 1962(c), and 1962(d), the PLAINTIFFS have been and continue to be irreparably injured as is alleged more fully above.

153. As a result of the nature of the money-laundering activities, it would be functionally impossible for the PLAINTIFFS to put a complete halt to said money-laundering activities as long as the DEFENDANTS continue to conduct these activities. In addition, the PLAINTIFFS continue to suffer injury to business and property to an extraordinary degree.

154. Money damages will not provide a full and complete remedy for DEFENDANTS' unlawful conduct. There is no adequate remedy at law that will protect the PLAINTIFFS in the future from these money-laundering activities if the DEFENDANTS

do not cease their involvement in and support of money-laundering activities. Pursuant to 18 U.S.C. §§ 1964(a), 1964(c), as well as 28 U.S.C. § 1651(a), the PLAINTIFFS demand full RICO Injunctive and Equitable Relief.

COUNT VI
(AS TO ALL DEFENDANTS)
(COMMON LAW FRAUD)

155. PLAINTIFFS restate and reallege paragraphs one (1) through one hundred and fifty-four (154) and further allege:

156. The DEFENDANTS and their co-conspirators intentionally falsified documents, falsified shipping records, and generated false and misleading billing records concerning the payment for liquor products so as to mislead the PLAINTIFFS, as to the purchasers of and source of funds for payment for their liquor products. The DEFENDANTS, individually, through their "External Affairs" representatives, and through industry groups knowingly made false representations to the PLAINTIFFS regarding their knowledge and role in illegal liquor sales. The DEFENDANTS and their co-conspirators made these false and material statements and representations and failed to disclose

material information in such documents and records with intent to defraud the PLAINTIFFS. The DEFENDANTS made these material misrepresentations and omissions with the knowledge and intention that the PLAINTIFFS would reasonably rely on said statements and documents. The DEFENDANTS entered into an understanding or agreement, express or tacit, with their distributors, customers, agents, consultants, and other co-conspirators, to participate in a common scheme, plan, or design to commit the aforesaid tortious acts, and thereby launder criminal proceeds to the detriment of PLAINTIFFS. In pursuance of the agreement, DEFENDANTS and its distributors, customers, agents, consultants, and other co-conspirators acted tortiously by, among other things, committing the aforesaid acts constituting fraud, thereby causing harm to PLAINTIFFS. The DEFENDANTS, through agreement and joint action with their co-conspirators, acted tortiously, recklessly, and unlawfully to the detriment of PLAINTIFFS. By means of the aforesaid concerted action, the DEFENDANTS and their co-conspirators are jointly and severally liable for the torts and other wrongful conduct alleged herein.

157. PLAINTIFFS reasonably relied upon the DEFENDANTS' misrepresentations, and incurred damage as a result of such

reliance. Specific examples of the process by which these activities occurred are set forth above.

158. The PLAINTIFFS reasonably relied upon false statements and falsified or misleading documents produced or procured by the DEFENDANTS, and were thereby misled in the course of performing their duty to fight against money laundering and related criminal activity.

159. Furthermore, the DEFENDANTS knowingly and intentionally generated false, misleading, and material information, and intentionally concealed other material information, concerning their role in money laundering in connection with the sale of their products.

160. The PLAINTIFFS reasonably relied upon data and information provided to them by the DEFENDANTS and/or their co-conspirators and agents in acting or refraining from acting with respect to money-laundering activities.

161. The DEFENDANTS, in falsifying documents to expedite money laundering, in providing misleading information, and in concealing material and true information concerning their money-laundering activities, acted in willful, wanton, gross, and callous disregard for the rights of the PLAINTIFFS. The aforesaid actions were taken knowingly for the purpose of

supporting the activities of the DEFENDANTS' co-conspirators and with the intent of increasing the profits and sales of the DEFENDANTS and harming PLAINTIFFS.

162. The DEFENDANTS were duty-bound to disclose the material information concerning the destination of shipments of liquor products and the concealed sources of funds used to purchase liquor products. By law, no person may make false statements to the government. Having undertaken to make representations to PLAINTIFFS, the DEFENDANTS were obligated to provide full, complete, and truthful information concerning the destination of shipments of liquor products and the sources of funds to purchase their products. The DEFENDANTS had superior, if not exclusive, knowledge of such information, and it was not readily available to the PLAINTIFFS. The DEFENDANTS intended and knew, or should have known, that PLAINTIFFS would reasonably rely, act, and refrain from acting, on the basis of false and/or incomplete information provided to PLAINTIFFS by the DEFENDANTS, and PLAINTIFFS did so to their detriment. Under these circumstances, the DEFENDANTS' conduct amounts to fraudulent misrepresentation and fraudulent concealment, and an effective conversion of PLAINTIFFS' money and property.

163. As a direct and proximate result of the

DEFENDANTS' fraud and the PLAINTIFFS' reliance upon said fraud, the PLAINTIFFS have suffered economic damages as are set forth more fully above in paragraphs one hundred and eleven(111) through one hundred and thirteen (113). The PLAINTIFFS demand judgment for damages, compensatory and punitive, as well as full Common Law Injunctive and Equitable Relief.

COUNT VII
(AS TO ALL DEFENDANTS)
(PUBLIC NUISANCE)

164. PLAINTIFFS restate and reallege paragraphs one (1) through one hundred sixty-three (163) and further allege:

165. PLAINTIFFS are governmental authorities.

166. Money laundering and related criminal activities are a violation of law and a public nuisance.

167. The money-laundering activities in the United States and THE REPUBLIC OF COLOMBIA of the DEFENDANTS: (a) have substantially and unreasonably interfered with, offended, injured and endangered, and continue to interfere with, offend, injure and endanger, the public health, morals, safety, convenience, and well-being of the general public, the financial infrastructure of THE REPUBLIC OF COLOMBIA, and the operation of

the market for liquor products in THE REBUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA; (b) constitute conduct that is proscribed by applicable laws, administrative regulations, and directives; (c) constitute conduct of a continuing nature and/or have produced a permanent or long-lasting effect, and the DEFENDANTS know or should know that said conduct has a significant harmful effect upon the public right.

168. The money-laundering activities of the DEFENDANTS in the United States, the PLAINTIFFS have been, and continue to be, effectuated through widespread criminal activity, including mail fraud, wire fraud, and other illegal acts.

169. The DEFENDANTS facilitated the laundering of criminal proceeds by means of a variety of acts and omissions conducted in or directed from the United States, including the following:

170. The DEFENDANTS laundered criminal proceeds by covertly receiving funds that they knew or should have known were the proceeds of criminal acts and took steps to conceal the source and nature of the criminal proceeds.

171. The DEFENDANTS arranged a process by which liquor products purchased by criminals could be paid for by secret

payments through "cut outs" so as to conceal revenues derived from criminal activities.

172. The DEFENDANTS filed or caused the filing with the PLAINTIFFS of false and fraudulent documents that misstated the value of, the intended destination of, and the source of funds for the purchase of liquor products that were placed within customs bonded warehouses and/or free trade zones within THE REPUBLIC OF COLOMBIA.

173. The DEFENDANTS failed to supervise the distribution of their liquor products to assure that such products were not sold into criminal channels or paid for with illicit funds.

174. The DEFENDANTS failed to act reasonably when they were put on notice of their involvement with money launderers.

175. The DEFENDANTS entered into an understanding or agreement, express or tacit, with their distributors, customers, agents, consultants, and other co-conspirators, to participate in a common scheme, plan or design to commit the aforesaid tortious acts and thereby launder money to the detriment of the PLAINTIFFS. In pursuance of the agreement, DEFENDANTS and its distributors, customers, agents, consultants, and other co-conspirators acted tortiously by, among other things, committing

the aforesaid acts constituting public nuisance, thereby causing harm to PLAINTIFFS. The DEFENDANTS, through joint action with their co-conspirators, acted tortiously, recklessly, unlawfully, and negligently to the detriment of PLAINTIFFS. By means of the aforesaid concerted action, the DEFENDANTS and their co-conspirators are jointly and severally liable for the torts and other wrongful conduct alleged herein.

176. Through these and other intentional and negligent acts and omissions, the DEFENDANTS have substantially and unreasonably offended, interfered with, and caused damage to the public in the exercise of rights common to all, in a manner such as to (a) offend public morals, (b) interfere with use by the public of a public place, (c) endanger and injure the property, life, health, safety, and comfort of a considerable number of persons; and (d) injure and interfere with the market for liquor products in THE REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA; and (e) injure the economic well being of the citizens of THE REPUBLIC OF COLOMBIA and the DEPARTMENTS OF THE REPUBLIC OF COLOMBIA. The acts and omissions of the DEFENDANTS constitute a public nuisance. This public nuisance, or some part of it, continues unabated to the detriment of PLAINTIFFS' interests.

177. The DEFENDANTS knew, or reasonably should have known, that their acts and omissions relating to money laundering created great dangers to the community, including PLAINTIFFS' economic and non-economic interests. The DEFENDANTS directly, or through their co-conspirators, undermined the PLAINTIFFS' duties and authority to regulate ports; to regulate foreign commerce; to regulate free trade zones, and customs bonded warehouses; to regulate transportation into THE REPUBLIC OF COLOMBIA or within its borders; to ensure and regulate the free movement of goods within THE REPUBLIC OF COLOMBIA; to regulate and take action to protect against money laundering.

178. The DEFENDANTS have acted maliciously, wantonly, and with a recklessness that bespeaks an improper motive and vindictiveness, and have engaged in outrageous and oppressive conduct and with a reckless or wanton disregard of safety and rights. Their conduct amounts to a fraud on the public.

179. As a direct and proximate result of the acts and/or omissions of the DEFENDANTS, which constitute a public nuisance, PLAINTIFFS have sustained and continue to sustain injury as set forth more fully in paragraphs one hundred and eleven(111) through one hundred and thirteen (113). The PLAINTIFFS have the right to recover said damages in that each

has suffered damages that are unique to it and which are of a kind different from those suffered by the general public.

180. By reason of the injury to their economic and non-economic interests due to the public nuisance described in the preceding paragraphs to this complaint, PLAINTIFFS are entitled to an award of damages, including actual, compensatory, and punitive damages. In addition, damages do not constitute a full and adequate remedy at law, and for this reason PLAINTIFFS are therefore entitled to full Common Law Injunctive and Equitable Relief, including a judgment permanently enjoining the DEFENDANTS from the continuation of activities constituting a public nuisance, and compelling the DEFENDANTS to take steps to abate and prevent the money laundering that is the subject matter of this complaint.

COUNT VIII
(AS TO ALL DEFENDANTS)
(UNJUST ENRICHMENT)

181. PLAINTIFFS restate and reallege paragraphs one (1) through one hundred and eighty (180) and further allege:

182. The DEFENDANTS were unjustly enriched at PLAINTIFFS' expense. The acts and omissions of these DEFENDANTS

and others have placed in the possession of these DEFENDANTS money under such circumstances that in equity and good conscience they ought not to retain it.

183. The DEFENDANTS were unjustly enriched through their money-laundering scheme. The DEFENDANTS entered into an understanding or agreement, express or tacit, with their distributors, customers, agents, consultants, and other co-conspirators, to participate in a common scheme, plan or design to commit the aforesaid tortious acts and thereby launder the proceeds of criminal activity to the detriment of the PLAINTIFFS. In pursuance of the agreement, DEFENDANTS and its distributors, customers, agents, consultants, and other co-conspirators acted tortiously by, among other things, committing the aforesaid acts constituting unjust enrichment, thereby causing harm to PLAINTIFFS. The DEFENDANTS, through joint action with their co-conspirators, acted tortiously, recklessly, unlawfully, and negligently, to the detriment of PLAINTIFFS. By means of the aforesaid concerted action, the DEFENDANTS and their co-conspirators are jointly and severally liable for the torts and other wrongful conduct alleged herein.

184. The DEFENDANTS were unjustly enriched through their money-laundering scheme. By reason of their money-

laundering scheme, the DEFENDANTS were enabled to illegally enhance profits, market share, and the sales price of their international liquor operations.

185. The unjust enrichment of the DEFENDANTS was accomplished at the expense of PLAINTIFFS. By reason of the money-laundering scheme, PLAINTIFFS were, and continue to be, deprived of money and property, and have suffered other economic and non-economic injuries, and the DEFENDANTS reaped vast profits and proceeds from their illegal scheme.

186. Under these circumstances, the receipt and retention of the money derived from money-laundering operations are such that, as between PLAINTIFFS and the DEFENDANTS, it is unjust for the DEFENDANTS to retain it.

187. Equity and good conscience require the DEFENDANTS to pay damages and restitution to PLAINTIFFS, disgorge their ill-gotten gains and, to effectuate these remedies, a constructive trust and equitable lien should be imposed by this Court upon the proceeds obtained by the DEFENDANTS by reason of money-laundering activities, which proceeds are rightly owned by and belong to PLAINTIFFS. PLAINTIFFS have suffered damages as set forth more fully in paragraphs one hundred and eleven(111) through one hundred and thirteen (113), and are entitled to

recover actual, compensatory, and punitive damages. Judgment in PLAINTIFFS' favor should include full Common Law Injunctive and Equitable Relief.

COUNT IX
(AS TO ALL DEFENDANTS)
(NEGLIGENCE)

188. PLAINTIFFS restate and reallege paragraphs one (1) through one hundred eighty-seven (187) and further allege:

189. The DEFENDANTS owed, and continue to owe, a duty of reasonable care to refrain from causing foreseeable loss to the PLAINTIFFS. The DEFENDANTS were and are obligated to avoid negligently causing harm to PLAINTIFFS and were and are duty-bound to:

(a) design, implement, and utilize effective monitoring and oversight procedures, including appropriate compliance programs, to deter and detect money laundering-related activities by their employees and agents;

(b) investigate and terminate the money laundering-related conduct of their employees and agents, particularly inasmuch as their managerial personnel with decision-making authority were put on reasonable notice of such

illicit conduct;

(c) deal with the PLAINTIFFS, and their representatives, in an honest, good faith, and forthright manner;

(d) terminate sales of their liquor products to or through persons or entities known to be engaged, directly or indirectly, in money laundering;

(e) comply with federal and state statutes and the standards of care reflected therein;

(f) produce, market, and distribute their liquor product products lawfully and with due care; and

(g) use proper practices and procedures in the hiring, selection, approval, instruction, training, supervision, and discipline of employees and agents engaged in the production, marketing, and distribution of their products, some of whom the DEFENDANTS knew, or reasonably should have known, were assisting and otherwise engaged in money laundering.

190. As manufacturers, distributors, and dominant participants in the marketplace, the DEFENDANTS had, and continue to have, the authority and ability to act reasonably to prevent money laundering in connection with the sale of their products for the protection of PLAINTIFFS. Reasonable steps

could and should have been taken by the DEFENDANTS to prevent or reduce the risk of their products being sold to persons who were using the purchase of liquor products to launder the proceeds of criminal activity.

191. The DEFENDANTS, as manufacturers, distributors, and dominant participants in the marketplace, have a special ability and duty to exercise reasonable care to detect and guard against the risks associated with the distribution of their products, for the benefit and protection of those foreseeably and unreasonably placed at risk of harm from the distribution of their products, including PLAINTIFFS.

192. The DEFENDANTS' unreasonable acts and omissions created and enhanced the risk that their products would be distributed to persons who would use the purchase of liquor products to launder criminal proceeds.

193. The DEFENDANTS' unreasonable acts and omissions affirmatively and foreseeably caused substantial economic and non-economic damages to the PLAINTIFFS, and otherwise obstructed their ability to protect themselves from harms associated with money laundering. The DEFENDANTS, acting with and through their employees, agents, and co-conspirators, breached their duty of care, as aforesaid, by acts and/or omissions that posed an

unreasonable and foreseeable risk of harm to PLAINTIFFS. The DEFENDANTS entered into an understanding or agreement, express or tacit, with their distributors, customers, agents, consultants, and other co-conspirators, to participate in a common scheme, plan, or design to commit the aforesaid tortious acts, and thereby launder criminal proceeds to the detriment of the PLAINTIFFS. In pursuance of the agreement, DEFENDANTS and its distributors, customers, agents, consultants, and other co-conspirators acted tortiously by, among other things, committing the aforesaid acts constituting negligence, thereby causing harm to Plaintiff. The DEFENDANTS, through joint action with their co-conspirators, acted tortiously, recklessly, unlawfully, and negligently, to the detriment of PLAINTIFFS. By means of the aforesaid concerted action, the DEFENDANTS and their co-conspirators are jointly and severally liable for the torts and other wrongful conduct alleged herein. The DEFENDANTS' breach proximately caused, and continues to cause, damage to the economic and non-economic interests of the PLAINTIFFS, as set forth more fully in paragraphs one hundred and eleven(111) through one hundred and thirteen (113).

194. The DEFENDANTS have acted maliciously, wantonly, and with a recklessness that bespeaks an improper motive and

vindictiveness, and have engaged in outrageous and oppressive conduct and with a reckless or wanton disregard of safety and rights. Their conduct amounts to a fraud on the public.

195. By reason of the injury to their economic and non-economic interests due to the negligence of the DEFENDANTS, as aforesaid, PLAINTIFFS are entitled to an award of damages, including actual, compensatory, and punitive damages. In addition, damages do not constitute a full and adequate remedy at law, and for this reason, PLAINTIFFS are entitled to full Common Law Injunctive and Equitable Relief, including a judgment permanently enjoining the DEFENDANTS from the continuation of activities constituting negligence, and compelling the DEFENDANTS to take steps to abate and prevent the laundering of criminal proceeds through the purchase and sale of their product.

COUNT X
(AS TO ALL DEFENDANTS)
(NEGLIGENT MISREPRESENTATION)

196. PLAINTIFFS restate and reallege paragraphs one (1) through one hundred ninety-five (195) and further allege:

197. The DEFENDANTS owed, and continue to owe, a duty

of reasonable care to refrain from causing foreseeable loss to PLAINTIFFS. The DEFENDANTS have assumed the special duty to speak truthfully to government officials, and particularly due to their superior knowledge of their own conduct, were bound to speak with due care. The DEFENDANTS were and are obligated to avoid negligently causing foreseeable harm to PLAINTIFFS, and were and are duty-bound to exercise reasonable care to: (a) refrain from negligently misrepresenting -- through documents and other forms of communication that the DEFENDANTS knew or should have known would be reasonably relied on by PLAINTIFFS -- the payment for and/or value of liquor products; the destination of liquor products; and the sources of funds with which liquor products are purchased; (b) be truthful in their representations to PLAINTIFFS and their representatives concerning money laundering and other improper activities as aforesaid; and (c) avoid misleading PLAINTIFFS when providing PLAINTIFFS with such information as the DEFENDANTS possess concerning the money laundering associated with the DEFENDANTS' products into THE REPUBLIC OF COLOMBIA.

198. The DEFENDANTS breached their duty to PLAINTIFFS by negligently making various material misrepresentations and/or failing to disclose material information to PLAINTIFFS and their

representatives as aforesaid.

199. The DEFENDANTS have acted maliciously, wantonly, and with a recklessness that bespeaks an improper motive and vindictiveness and have engaged in outrageous and oppressive conduct and with a recklessness or wanton disregard of the PLAINTIFFS' interests and rights. Their conduct amounts to a fraud on the public.

200. The DEFENDANTS, acting with and through their employees, agents, and co-conspirators, breached their duty of care, as aforesaid, by acts and/or omissions that posed an unreasonable risk of foreseeable harm to PLAINTIFFS.

201. PLAINTIFFS reasonably relied on the DEFENDANTS' misrepresentations and, as a result, the DEFENDANTS' breach proximately caused, and continues to cause, damage to the economic interest of PLAINTIFFS. The DEFENDANTS entered into an understanding or agreement, express or tacit, with their distributors, customers, agents, consultants, and other co-conspirators, to participate in a common scheme, plan or design to commit the aforesaid tortious acts and thereby launder the proceeds of criminal activity to the detriment of the PLAINTIFFS. In pursuance of the agreement, the DEFENDANTS and their distributors, customers, agents, consultants, and other

co-conspirators acted tortiously by, among other things, committing the aforesaid acts constituting negligent misrepresentation, thereby causing harm to PLAINTIFFS. The DEFENDANTS, through joint action with their co-conspirators, acted tortiously, recklessly, unlawfully, and negligently, to the detriment of PLAINTIFFS. By means of the aforesaid concerted action, the DEFENDANTS and their co-conspirators are jointly and severally liable for the torts and other wrongful conduct alleged herein.

202. By reason of the injury to its interests due to the negligence, malice and recklessness of the DEFENDANTS, as set forth more fully in paragraphs one hundred and eleven(111) through one hundred and thirteen (113), and PLAINTIFFS are entitled to an award of damages, including actual, compensatory, and punitive damages. In addition, damages do not constitute a full and adequate remedy at law, and for this reason, PLAINTIFFS are entitled to full Common Law Injunctive and Equitable Relief, including a judgment permanently enjoining the DEFENDANTS from the continuation of activities constituting negligence.

COUNT XI
(AS TO ALL DEFENDANTS)
(COMMON LAW CONVERSION)

203. The PLAINTIFFS restate and reallege paragraphs one (1) through two hundred and two (202) and further allege:

204. The DEFENDANTS received funds, including the proceeds of narcotics trafficking, and received the instrumentalities of illicit conduct. Such funds and instrumentalities, and the proceeds thereof, were and are the property of the PLAINTIFFS as of the time of the commission of the illicit conduct.

205. The DEFENDANTS were obligated to either remit such funds and instrumentalities to PLAINTIFFS, or refuse to accept such funds and instrumentalities. The DEFENDANTS did neither. Instead, the DEFENDANTS appropriated the funds and instrumentalities for their own use.

206. The DEFENDANTS misappropriated PLAINTIFFS' money and property, and have rejected demands for compensation.

207. The DEFENDANTS have assumed and exercised ownership over funds and instrumentalities belonging to the PLAINTIFFS. PLAINTIFFS have sustained and will continue to sustain damages as a result of the DEFENDANTS' conversion, for which the DEFENDANTS are liable to PLAINTIFFS.

208. The DEFENDANTS have acted maliciously, wantonly,

and with a recklessness that bespeaks an improper motive and vindictiveness, and have engaged in outrageous and oppressive conduct and with a reckless or wanton disregard of safety and rights. Their conduct amounts to a fraud on the public.

209. By reason of the injury to their economic and non-economic interests due to the negligence of the DEFENDANTS, as set forth more fully above in paragraphs one hundred and eleven(111) through one hundred and thirteen (113), PLAINTIFFS are entitled to an award of damages, including actual, compensatory, and punitive damages. In addition, damages do not constitute a full and adequate remedy at law, and for this reason, PLAINTIFFS are entitled to full common law Injunctive and Equitable Relief, including a judgment permanently enjoining the DEFENDANTS from the continuation of activities constituting negligence, and compelling the DEFENDANTS to take steps to abate and prevent the laundering of criminal proceeds through the purchase and sale of their products.

COUNT XII
(AS TO ALL DEFENDANTS)
(MONEY HAD AND RECEIVED)

210. The PLAINTIFFS restate and reallege paragraphs

one (1) through two hundred and nine (209) and further allege:

211. The DEFENDANTS knowingly received money belonging to PLAINTIFFS, including funds representing the proceeds of illicit conduct.

212. The DEFENDANTS benefited from the receipt of money, the benefit of which remains with the DEFENDANTS. A trust or equitable lien is impressed upon such money and the proceeds thereof.

213. Under principles of equity and good conscience, the DEFENDANTS should not be permitted to keep the money and the proceeds thereof. The DEFENDANTS knew that the funds in question were the proceeds of illicit conduct and, as such, were the property of PLAINTIFFS. Through deceit and acts of concealment, the DEFENDANTS received, handled, deposited, and transferred such funds to their own accounts. PLAINTIFFS have changed their positions as a result of the DEFENDANTS' conduct and have been precluded from taking action against those persons involved in the illicit conduct, including the DEFENDANTS, at the time of such conduct. The DEFENDANTS' conduct was tortious, a trespass upon the rights and interests of PLAINTIFFS, and fraudulent.

214. Equity and good conscience require the DEFENDANTS

to pay damages and restitution to PLAINTIFFS, disgorge their ill-gotten gains and, to effectuate these remedies, a constructive trust and equitable lien should be imposed by this Court upon the proceeds obtained by the DEFENDANTS by reason of money-laundering activities, which proceeds are rightly owned by and belong to PLAINTIFFS. PLAINTIFFS are entitled to damages, including actual, compensatory, and punitive damages, and their injuries are set forth more fully above in paragraphs one hundred and eleven(111) through one hundred and thirteen (113). Judgment in PLAINTIFFS' favor should include full Common Law Injunctive and Equitable Relief.

DEMAND FOR JUDGMENT

WHEREFORE, the PLAINTIFFS demand judgment in their favor and against DEFENDANTS as follows:

215. Pursuant to COUNT I, damages, including interest, against the DEFENDANTS, jointly and severally, the precise amount to be supplied to the Court upon a trial on the merits; treble the actual damages pursuant to 18 U.S.C. § 1964(c), along with an award of the costs of the suit and a reasonable attorney's fee.

216. Pursuant to COUNT II, damages, including interest, against the DEFENDANTS, jointly and severally, the precise amount to be supplied to the Court upon a trial on the merits; treble the actual damages pursuant to 18 U.S.C. § 1964(c), along with an award of the costs of the suit and a reasonable attorney's fee.

217. Pursuant to COUNT III, damages, including interest, against the DEFENDANTS, jointly and severally, the precise amount to be supplied to the Court upon a trial on the merits; treble the actual damages pursuant to 18 U.S.C. § 1964(c), along with an award of the costs of the suit and a reasonable attorney's fee.

218. Pursuant to COUNT IV, damages, including interest, against the DEFENDANTS, jointly and severally, the precise amount to be supplied to the Court upon a trial on the merits; treble the actual damages pursuant to 18 U.S.C. § 1964(c), along with an award of the costs of the suit and a reasonable attorney's fee.

219. Pursuant to COUNT V, RICO Injunctive and Equitable Relief against the DEFENDANTS, jointly and severally, the precise amount to be supplied to the Court upon a trial on the merits; treble the actual damages pursuant to 18 U.S.C. §§

1964(c), 28 U.S.C. § 1651(a), along with an award of the costs of the suit and a reasonable attorney's fee.

220. Pursuant to COUNT VI, against the DEFENDANTS, jointly and severally, an award of compensatory and punitive damages, with interest, the precise amount to be supplied to the Court upon a trial of the merits; Common Law Injunctive and Equitable Relief and the costs of the suit and a reasonable attorney's fee.

221. Pursuant to COUNT VII, against the DEFENDANTS, jointly and severally, an award of compensatory and punitive damages, with interest, the precise amount to be supplied to the Court upon a trial of the merits; Common Law Injunctive and Equitable Relief; and the costs of the suit and a reasonable attorney's fee.

222. Pursuant to COUNT VIII, against the DEFENDANTS, jointly and severally, an award of compensatory and punitive damages, with interest, the precise amount to be supplied to the Court upon a trial of the merits; Common Law Injunctive and Equitable Relief; and the costs of the suit and a reasonable attorney's fee.

223. Pursuant to COUNT IX, against the DEFENDANTS, jointly and severally, an award of compensatory and punitive

damages, with interest, the precise amount to be supplied to the Court upon a trial of the merits; Common Law Injunctive and Equitable Relief; and the costs of the suit and a reasonable attorney's fee.

224. Pursuant to COUNT X, against the DEFENDANTS, jointly and severally, an award of compensatory and punitive damages, with interest, the precise amount to be supplied to the Court upon a trial of the merits; Common Law Injunctive and Equitable Relief; and the costs of the suit and a reasonable attorney's fee.

225. Pursuant to COUNT XI, against the DEFENDANTS, jointly and severally, an award of compensatory and punitive damages, with interest, the precise amount to be supplied to the Court upon a trial of the merits; Common Law Injunctive and Equitable Relief; and the costs of the suit and a reasonable attorney's fee.

226. Pursuant to COUNT XII, against the DEFENDANTS, jointly and severally, an award of compensatory and punitive damages, with interest, the precise amount to be supplied to the Court upon a trial of the merits; Common Law Injunctive and Equitable Relief; and the costs of the suit and a reasonable attorney's fee.

227. Such other and similar relief as the Court deems just, proper, and equitable; and trial by jury as to all issues triable as of right by jury.

Dated: December 29, 2004
New York, New York

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